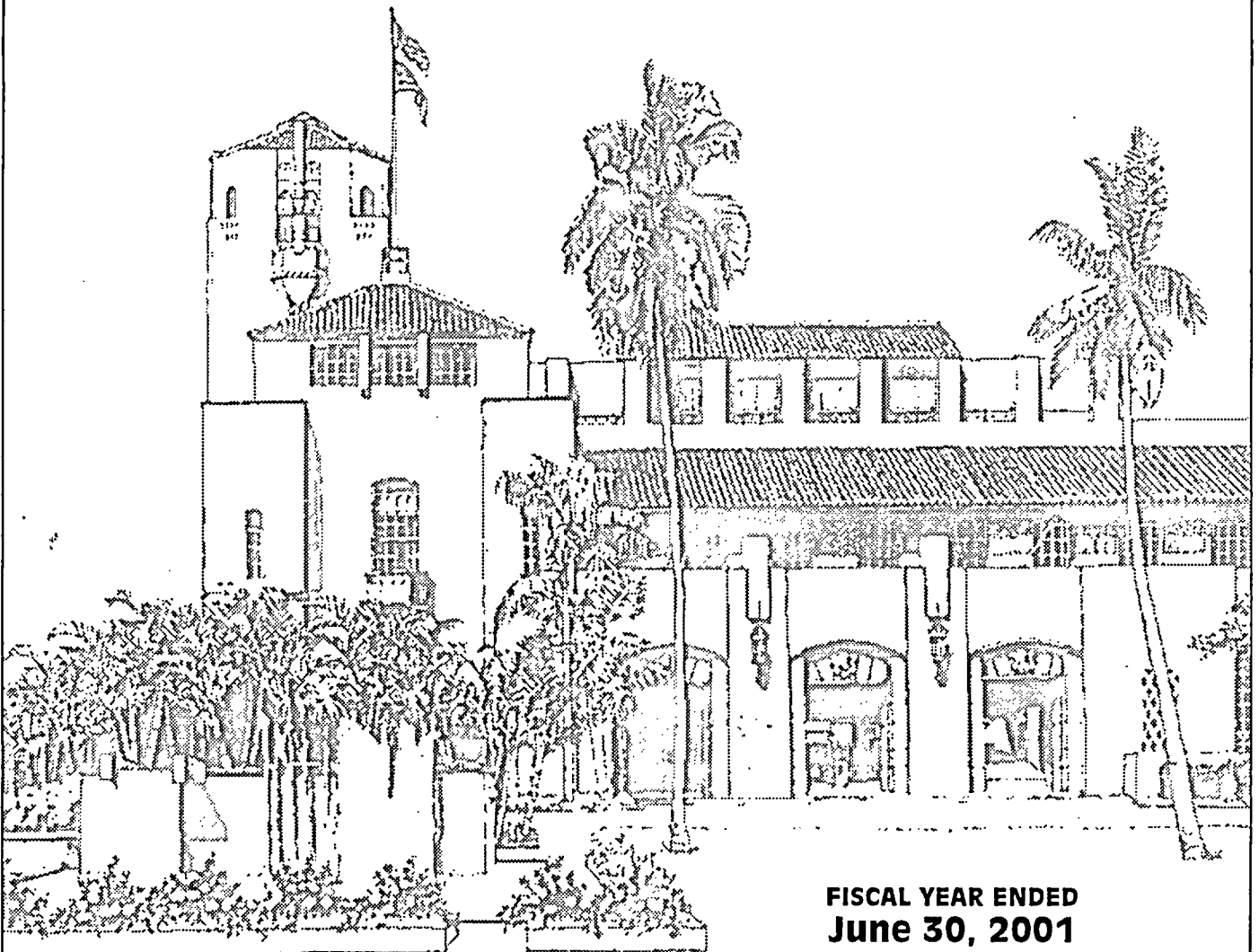
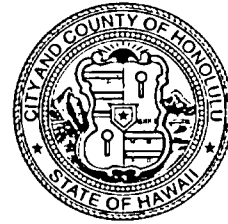


**CITY AND COUNTY OF HONOLULU  
HONOLULU, HAWAII**

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# **Comprehensive Annual Financial Report**



**FISCAL YEAR ENDED  
June 30, 2001**



**JEREMY HARRIS**, Mayor  
City and County of Honolulu

**CITY AND COUNTY OF HONOLULU**  
**Comprehensive Annual Financial Report**  
**For The Fiscal Year Ended June 30, 2001**

**Prepared by:**  
**DEPARTMENT OF BUDGET AND FISCAL SERVICES**  
**CAROLL TAKAHASHI**  
**DIRECTOR**

**CITY AND COUNTY OF HONOLULU  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001**

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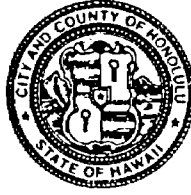
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# **INTRODUCTORY SECTION**

DEPARTMENT OF BUDGET & FISCAL SERVICES  
**CITY AND COUNTY OF HONOLULU**

530 S. KING STREET, #208 HONOLULU, HAWAII 96813  
PHONE: (808) 523-4616 / FAX: (808) 523-4771

JEREMY HARRIS  
MAYOR



CAROLL TAKAHASHI  
DIRECTOR  
BENJAMIN Y.L. DIMOND  
DEPUTY DIRECTOR

December 28, 2001

Honorable Mayor Jeremy Harris  
Honorable Jon Yoshimura, Chair  
and Members of the City Council  
City and County of Honolulu  
Honolulu, Hawaii 96813

Dear Mayor and Members of the City Council:

The Comprehensive Annual Financial Report of the City and County of Honolulu, State of Hawaii, for the fiscal year ended June 30, 2001, is hereby submitted.

This report presents the financial position of the City and County of Honolulu at June 30, 2001 and results of operations for the fiscal year then ended. The report is divided into three sections:

**The Introductory Section**

Includes this letter, a Certificate of Achievement for Excellence in Financial Reporting, the City government's organization chart and a list of elected officials.

**The Financial Section**

Utilizes the pyramid approach to governmental financial reporting, which focuses initial attention on the general purpose (combined) financial statements (top of the pyramid). Subsequent sections of the pyramid (top to bottom) present gradually increasing levels of reporting detail.

**The Statistical Section**

Contains various financial and demographic information, generally on a multi-year basis.

This report covers all of the funds and account groups of the City (the primary government) and its component unit, the Board of Water Supply.

The City provides the full range of municipal services required by the Constitution of the State of Hawaii, the Hawaii Revised Statutes, the Revised Charter of the City and County of Honolulu and the Revised Ordinances of Honolulu. These include police and fire protection, emergency

medical care services, culture and recreation, planning, zoning and permitting, sewage and solid waste collection and disposal, public mass transportation, housing, traffic safety and control, and construction and maintenance of public streets, roads, bridges, walkways, and drainage and flood control systems.

The accuracy of the financial statements and the completeness and fairness of the presentation is the responsibility of City management. We believe that the data contained in this report are complete and accurate in all material respects and that all necessary disclosures have been included.

## **ECONOMIC CONDITION AND OUTLOOK**

Prior to the tragic events of September 11, 2001, Hawaii was in its third year of modest expansion:

- 2000 was a very good year for Hawaii tourism with a record-breaking 6.98 million visitors. Arrivals in Oahu for 2000 numbered 4.8 million, a gain of 4.8% compared to 1999. For the month of August 2001, Oahu visitors totaled 440 thousand, up 2.5% compared to the same month last year.
- Retailing receipts on Oahu rose 2.9% to \$14.6 billion for fiscal year 2001 compared to the last fiscal year. For August, retailing receipts totaled \$1.3 billion, up 2.4% compared to the same month in 2000.
- Contracting receipts increased 10% from \$2.6 billion for the fiscal year ended June 30, 2000 to \$2.8 billion for fiscal year 2001. The number of building permits amounted to 19,552 with an estimated value of \$1.4 billion for the 2001 fiscal year in comparison to 10,325 permits valued at \$718 million for the 2000 fiscal year, representing increases of 89.4% in number and 93.4% in value.
- For four years, home sales have been spectacular. The Oahu housing market grew 21.7%, 20%, 24.3% and 10.3%, respectively, for 2000, 1999, 1998 and 1997.
- Unemployment on Oahu was 4% for the months of August and September and 3.8% overall for 2000.
- Statewide, personal income rose to \$35,476 for the first quarter of 2001. This represents an income growth rate of 5.9%, the highest rate of increase since 1993.
- Wage and salary growth increased to a record high of \$20 billion, representing a rise of 7.7% for the first three months of 2001 in comparison to the first quarter of 2000.
- Income for Hawaii's proprietors rose 4.3% to an all time high of \$2.8 billion for the first quarter of 2001.

- The Honolulu Consumer Price Index increased 1.3% for the first half of 2001.

The tragedies on the Mainland in September sent shock waves throughout the local economy. In October, unemployment jumped to 4.6%, the highest level in two years, with claims soaring in the weeks immediately after the catastrophes. Thus far, job losses have been limited mostly to hotels, restaurants and retail establishments. However, a domino effect into other sectors of the economy is possible.

### **Construction**

Construction has been affected somewhat by the events of September 11. Contracting permits numbered 1,277 with an estimated value of \$64.5 million for October this year in comparison to 1,223 permits at \$82 million for the same month in the previous year, representing an increase of 4.4% in the number of permits issued and a decrease of 21.4% in the value of building permits. In addition, contracting receipts dropped 13.9% from \$216.8 million for September of the current year to \$186.7 million for September of the prior year.

Despite the economic downturn from the attacks in September, several organizations unveiled their development plans. Kaiser Permanente Hawaii announced plans to renovate and expand its Moanalua Medical Center for approximately \$115 million, construct an additional facility near its current Honolulu Clinic for about \$20 million, build a new clinic for \$32 million on recently purchased land in Waipio, and expand its Koolau Clinic in Kaneohe. Victoria Ward, Ltd. is in the process of conceptually planning a \$200 million redevelopment of its retail properties, most notably Ward Warehouse. In addition, Victoria Ward, Ltd. and Kamehameha Schools teamed up and hired a Manhattan design firm for the first phase of a joint master plan for the redevelopment of over 100 acres of property in Kakaako. Another project being planned by Kamehameha Schools is the development of a high-tech office complex on 12 acres of land in Kakaako for \$100 million, contingent on the construction of the University of Hawaii biomedical complex and medical school in the area. With a \$3 million grant from the Harry & Jeanette Weinberg Foundation, Castle Medical Center will undergo a \$20 million, multi-year hospital renovation after completing its \$10 million medical plaza.

The City is continuing efforts to stimulate the construction industry. In an initiative passed three years ago, the City provided seven years of real property tax relief to developers of commercial, resort and industrial projects.

### **Real Estate**

**Residential.** Despite the horrific events of September 11, buying demand in Oahu's housing market continues, spurred by favorable financing rates. Sales of previously owned single family homes rose 4.7% from 255 for November 2000 to 267 for the same month this year although condominium resales were down 12.5% from 345 for November last year to 302 for the same month in 2001. The median sales price for single family homes was up 5.1% to \$310,000 while the median price for condominiums rose 11.9% to \$136,500 in relation to November a year ago.

For the sale of new homes, orders from the four largest homebuilders increased 5.6% from 142 for September last year to 150 for September this year.

**Commercial.** From 1996 to mid-2001, vacancies for downtown office space steadily declined. Last year, demand for space seemed to indicate the need for office buildings. However, vacancies rose from 11% in the second quarter to 11.9% in the third quarter of 2001. The increase in vacancies resulted from the closure this year of several high-tech offices in Honolulu and across the nation.

Since the September attacks in New York and Washington, D.C., Alexander & Baldwin, Inc. (A&B) purchased a 71,000-square-foot, fee simple property at Kuhio Avenue and Olohana Street in Waikiki for \$3.5 million. A&B plans to build a high-rise condominium project and may develop retail space on a 13,000-square-foot portion that fronts Kuhio Avenue.

Additionally, agreements were reached on several commercial real estate properties following the horrific events in September. A California investor agreed to buy the downtown Amfac Center twin tower building for about \$94 million. A local development company agreed to purchase the downtown Pioneer Plaza building. An investment group headed by local investors plans to purchase the 160,000-square-foot DFS Galleria, a retail, entertainment and office complex, in Waikiki for almost \$100 million.

### **Retailing**

After the September tragedies, retailing receipts slipped 10.1% from \$993.4 million for September last year to \$893.5 million for the same month this year.

Nonetheless, recent announcements by Mainland retail chains indicate Oahu's retail industry is headed for a new era of competition. Nordstrom, Inc. revealed plans for a 150,000 square-foot department store as an anchor tenant at Ward Warehouse. In addition, Nordstrom will open a 16,500 square-foot shoe store at the Ewa end of Ward Centre. These two stores would join the existing 34,000 square-foot Nordstrom Rack discount store behind Ward Entertainment Center. Macy's began taking back subleased space next to its Waikiki department store on Kalakaua Avenue to make way for an \$8 million expansion and renovation plan. Kmart hopes to acquire 10 acres of land at the Keeaumoku Street superblock to build its largest Hawaii store.

### **Tourism**

In the aftermath of the September attacks, total arrivals in October plunged 31.2% to 260 thousand. Additionally, hotel occupancy declined 19.6% to 57% for October 2001 compared to the same month last year. Conversely, the length of stay for domestic arrivals and international arrivals increased 2.3% to 7.2 days and 14.5% to 6 days, respectively.

Prior to the terrorist attacks, the hotel industry on Oahu was in a growth phase that included substantial additions to room inventory, numerous renovations, several hotel property transfers and modifications of marketing strategies.

Development of hotels on Oahu is still proceeding. Hilton is expected to begin seeking government approvals for its \$80 million, 342-unit, 37-story luxury timeshare project in Waikiki. Scheduled for completion in January are upgrades amounting to \$65 million for the Waikiki

Beach Marriott Resort (formerly the Hawaiian Regent) and \$30 million for the Renaissance Ilikai Waikiki. Re-opened shortly after the September tragedies, the Makaha Resort Golf Club completed the first of three phases with 72 available rooms and improvements to the golf course, and expects to finish all 200 units by April 2002.

In October, American Classic Voyages filed for bankruptcy protection, causing the shut-down of its two interisland cruise ships, the Honolulu-based ms Patriot and the Maui-based S.S. Independence. As a result, expectations are high for the Norwegian Cruise Line's Star to perform well. The brand-new Star arrived on the State's shores recently and immediately embarked on its maiden seven-day Hawaii voyage with four days island hopping and three days cruising to Fanning Island in Kiribati. It is the first foreign vessel to be permanently based in Hawaii. In addition, the Norwegian Wind will be temporarily based in Honolulu from the autumn of next year to the spring of the following year.

The City has been partnering with the private sector to spur economic revitalization in Waikiki, the heart of the State's tourism industry. On Independence Day, the City sponsored a daytime picnic and a full moon concert with free and low cost food, keiki games and award winning entertainers at the Kapiolani Park Bandstand. With "Brunch on the Beach" held once a month on Sunday since mid-July, Kalakaua Avenue is transformed into an outdoor café with outstanding entertainment and delicious food and beverages at reasonable prices. Since Veterans' Day weekend, "Sunset on the Beach" offers visitors and kamaaina opportunities to see the sunset, feast on great food, listen to local entertainment, and watch movies on a large screen at Queen's Surf Beach each Saturday and Sunday night through the end of the year. Future possibilities include enhanced torch lighting ceremonies and Disney theme park type parades through Waikiki.

Elsewhere on the island, the City is developing first class venues for sports tourism. The Waipio Soccer Park opened September last year and features 19 full-sized soccer fields and a stadium facility with lights. In July next year, the City will host the weeklong 2002 American Youth Soccer Organization's National Games, bringing 200 teams and 7,000 players, family members, coaches and referees. The 269-acre Central Oahu Regional Park (CORP) opened its first phase in July this year. When completed in 2004, the CORP will contain world-class facilities for such sports as baseball, softball, tennis, swimming, archery and skateboarding. Other components of the CORP include a box-car facility, ballroom dancing/community arts center, dog obedience training area and community gardens.

In summary, it is hoped that Oahu will soon be transitioning from sharp declines in travel volumes to a period of gradual economic recovery. Although non-economic uncertainties like the threats of further terrorist attacks and America's unfolding war against such acts, optimism prevails. Economic forecasts indicate that tourism growth may begin to register by the middle of next year and tourism volumes may be restored to pre-attack levels by the end of 2002.

#### **Sources:**

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## **MAJOR INITIATIVES**

### **For the Year**

The City's budgets for fiscal year 2001 focused on general government, public safety, sanitation, culture-recreation, and transportation.

The City's final operating budget of \$1.2 billion was \$17 million less while the final capital improvement budget of \$385.5 million was \$117.5 million more than last year. The capital improvement program has been shaped by community involvement through the visioning process and demonstrates the City's commitment to build for the future.

### **General Government**

The capital improvement budget of \$35.7 million for various general government projects decreased 42.8% compared to the prior year. Major projects include Procurement of Major Equipment for \$13 million, Aiea Town Center for \$5.3 million, Miscellaneous Land Acquisition Expenses for \$3.3 million, Electronic Work Flow Systems for \$2.5 million, and Energy Conservation Improvements for \$2.2 million.

### **Public Safety**

The City continued to demonstrate its commitment to safety issues by increasing the operating budget by 8.2% for the Police and 3.5% for the Fire Department, in relation to the prior year.

On the other hand, the capital budget of \$10.2 million for public safety represents a decrease of 46.7% compared to the previous year. Appropriations include \$2.7 million for Traffic Calming

Improvements, and \$1 million each for Kamehameha Highway Flood Remediation in Haleiwa and Wailupe Stream Flood Control.

### **Highways and Streets**

The \$82.1 million capital improvement budget for highways and streets increased 102% compared to last year. Major projects include Resurfacing of Streets (\$25.7 million), Rehabilitation of Streets (\$12.3 million), Wheelchair Ramps at Various Locations (\$8.9 million), Miscellaneous Sidewalk Improvements (\$3.9 million), Waikiki Improvements (\$3.7 million), and Salt Lake Boulevard Enhancement from Ala Lilikoi Street to Puuloa Road (\$2.1 million).

### **Sanitation**

\$100.7 million was designated in the capital improvement budget for wastewater projects such as the Kainehe Street, Hamakua Drive, Keolu Drive Sewer Rehabilitation (\$26.3 million), Sand Island Wastewater Treatment Plant Disinfection Facility and Effluent Pump Station (\$19.5 million), Ala Moana & Kapiolani Trunk Sewer Replacement/Rehabilitation (\$11.7 million), Hart Street Wastewater Pump Station Force Main Replacement (\$6.7 million), Hart Street Wastewater Pump Station Alternative (\$5.9 million), Honouliuli Wastewater Treatment Plant Solids Handling System (\$5.1 million), Project Management for Wastewater Projects (\$4.5 million), and Wahiawa Wastewater Treatment Plant Conversion and Effluent Disposal System (\$4.4 million).

Of the \$3.2 million provided in the capital project for solid waste projects, \$2.5 million was budgeted to purchase containers and side-loader trucks to expand the on-going Automated Refuse Collection System.

### **Culture-Recreation**

With its dedication to providing cultural and recreational opportunities for its residents and visitors, the City increased the operating budget 15.3% and the capital budget 71.5% in comparison to the previous year. The following are the major parks construction projects: Central Oahu Regional Park Phase II (\$10 million), Smith-Beretania Park (\$8 million), Asian Tropical Forest Elephant Facility at the Honolulu Zoo (\$6 million), Kailua Park (\$4.2 million), and Miscellaneous Improvements to Recreation District 2 and Waipio Peninsula Recreation Complex for \$4.1 million each. For land acquisition, the capital budget included \$5.2 million for Waimea Valley Park, \$5 million each for Ka'iwi Park and Kapahulu Community Center, and \$4 million for Heeia Kea Park.

### **Utilities or Other Enterprises (Transportation)**

The City is committed to enhancing public transit and, therefore, increased the capital improvement budget for mass transit 93.8% compared to the prior year. Major projects include the Bus Acquisition Program to purchase 16 articulated buses and five support vehicles (\$9 million), Primary Corridor Transportation System Study (\$4 million), and Handi-Van Acquisition Program to purchase 35 vans (\$2.5 million). It may be noted that the City's investment in public transit was recognized last month by the Hawaii Visitors and Convention Bureau with the Maile award for 100 years of outstanding service to Hawaii's community.

### **For the Future**

For fiscal year 2002, the City's budgets continue to focus on general government, public safety, sanitation, culture-recreation, and transportation. Striving to improve the quality of life for residents and to stimulate the tourist industry by providing a quality destination place, the City raised the operating budget 8.9% and the capital improvement budget 50.2% compared to the prior year.

### **General Government**

The capital improvement budget of \$78 million for the general government function represents an increase of 118.4% over the previous year. The following are the major projects: Procurement of Major Equipment (\$13 million), Telecommunications Projects (\$10 million), Relocation of Wastewater Field Services (\$6.7 million), Convention Center Development (\$6 million), Miscellaneous Public Building Facilities Improvements (\$5 million), Halawa Corporation Yard (\$4.1 million), and Miscellaneous Land Acquisition Expenses (\$4 million).

### **Public Safety**

Rising 384.2% in contrast to the prior year, public safety appropriations in the capital improvement budget totaled \$49.4 million. The major public safety projects include the Fire Department Headquarters (\$15.6 million), Traffic Calming Improvements (\$9 million), both the East Honolulu Police Station and the Waianae Coast Alternate Route (\$5 million each), and Traffic Improvements at Various Locations (\$4 million).

### **Highways and Streets**

For road construction, the capital improvement budget designated \$74 million, a decrease of 9.9% compared to the previous year. Major highways and streets projects include Curb Ramps at Various Locations (\$9 million), Miscellaneous Bikeway Projects (\$7 million), Rehabilitation of Streets and Salt Lake Boulevard Widening (\$4.8 million each), Bus Stop Site Improvements (\$4.2 million), Street Improvements (\$4 million), Miscellaneous Sidewalk Improvements (\$3.9 million), and Waikiki Improvements (\$3.8 million).

### **Sanitation**

In the capital improvement budget, the City provided \$181.9 million for wastewater projects, representing an increase of 80.7% over the prior year. The following are the major sewer projects for fiscal year 2002: Sand Island Wastewater Treatment Plant Disinfection Facility and Effluent Pump Station (\$53 million), Sand Island Wastewater Treatment Plant, Unit I, Phase 2A (\$52.7 million), Kalaheo Avenue Reconstructed Sewer (\$15.4 million), Hart Street Wastewater Pump Station Alternative (\$14 million), Laie Sewer Improvement District (\$6.6 million), Project Management for Wastewater Projects (\$5.6 million), and Ala Moana & Kapiolani Trunk Sewer Replacement/Rehabilitation (\$5 million).

Of the \$2.9 million appropriated for solid waste projects, \$2.2 million was designated to modify refuse trucks and purchase refuse containers.

### **Culture-Recreation**

For participant, spectator and other recreation projects, the capital improvement budget

appropriated \$145.7 million, 40.2% more than the year earlier. Major projects include the Central Oahu Regional Park Phase II (\$15.9 million), Pearl Harbor Historic Trail (\$9.7 million), Waipio Peninsula Recreation Complex (\$7.6 million), Kailua Park (\$6.1 million), Ewa Mahiko District Park (\$4.8 million), City Beautification Program (\$4.7 million), and both the Canoe Halau Improvements at Various Parks and the Renovation of Recreational Facilities (\$4 million each).

#### **Utilities or Other Enterprises (Transportation)**

With \$28.4 million appropriated for mass transit, the capital improvement budget increased 31.7% compared to the previous year. Major public transit projects include the Middle Street Transit Center (\$9 million), the Bus Acquisition Program (\$6.2 million), the In-Town Bus Rapid Transit System (\$4.5 million), and the Islandwide Transit Centers (\$3.4 million).

### **FINANCIAL INFORMATION**

#### **Internal Controls**

Establishing and maintaining the internal control system is the responsibility of City managers. Creating the internal control system requires estimates and judgments to assess the expected benefits and related costs of control procedures. The objective of an internal control system is to provide management with reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition, and transactions are executed in accordance with management's authorization and are properly recorded to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Management must also develop adequate internal controls to ensure compliance with applicable laws and regulations related to federal and State financial assistance programs.

The internal control system is subject to periodic evaluation by the City's internal audit staff. We believe the City's internal controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

#### **Budgetary Controls**

The City maintains budgetary controls to ensure that legal provisions of the annual budget are complied with and that expenditures do not exceed budgeted amounts. Controls are exercised by integrating the budgetary accounts in fund ledgers for all budgeted funds. An encumbrance system is also used to account for purchase orders and other contractual commitments. Encumbered balances of appropriations at year-end are reported as reservations of fund balance and are not reappropriated in the following year's budget.

#### **General Government Functions**

The following is a summary of operations for the fiscal year ended June 30, 2001, including the General, Special Revenue, Debt Service and Capital Projects funds.

Revenues in fiscal year 2001 totaled \$821.1 million, a 2.7% decrease from the previous year. The following table and the exhibit on page 12 indicate the sources of revenues and changes from last year (amounts in thousands):

Revenues	Amount	Percent	Increase From	(Decrease) FY 2000
			Amount	Percent
Real property tax	\$ 380,098	46.3%	\$ (19,017)	(4.8)%
Fuel tax	46,078	5.6	3,177	7.4
Public utility franchise tax	22,810	2.8	3,571	18.6
Special assessments	445	0.1	(2)	(0.4)
Licenses and permits	56,266	6.8	1,109	2.0
Intergovernmental	170,152	20.7	4,963	3.0
Charges for services	20,718	2.5	229	1.1
Miscellaneous:				
Reimbursements and recoveries	87,264	10.6	(9,879)	(10.2)
Interest	15,234	1.9	136	0.9
Other	22,029	2.7	(7,244)	(24.7)
Totals	<u>\$ 821,094</u>	<u>100.0%</u>	<u>\$ (22,957)</u>	<u>(2.7)</u>

Real property tax revenues decreased by \$19 million, basically because of lower assessed valuations on real property. Conversely, fuel and public utility franchise taxes increased by \$3.2 million and \$3.6 million, respectively.

Intergovernmental revenues rose 3% to \$170.2 million, and consisted of increases of \$3.4 million for federal grants and \$1.6 million for state grants. The following schedule details the major grants received by the City (amounts in thousands):

Federal Grants	Increase (Decrease)
Section 8	\$ 6,485
Cops More 1998	6,395
Federal Aid Urban System	4,953
CDBG	2,894
Federal Transit Act	1,760
Others	835
JTPA Training	(3,154)
HOME	(16,797)
Net Increase in Federal Grants	<u>\$ 3,371</u>
State Grants	
Transient Accommodations Tax	\$ 2,331
Others	(739)
Net Increase in State Grants	<u>\$ 1,592</u>

Reimbursements and recoveries dropped \$9.9 million, representing a decline of 10.2%. Specifically, decreases in recoveries included \$6.4 million for debt service and \$3.6 million for central administrative service expenses from the Board of Water Supply. On the other hand, the

recovery from the State of Hawaii for emergency ambulance services exceeded the prior year amount by \$1.2 million.

Other miscellaneous revenues were \$7.2 million lower than for the preceding fiscal year primarily due to nonrecurring receipts of \$4.5 million for the lease to fee conversions for Kukui Plaza and \$3.8 million for recoveries from the Health Fund and for FICA received in fiscal year 2000.

**Expenditures** by major functions and changes from last year are shown on the exhibit on page 13 and as follows (amounts in thousands):

Expenditures	Amount	Percent	Increase From FY	(Decrease) 2000
			Amount	Percent
General government	\$104,720	11.5%	\$ 2,980	2.9%
Public safety	217,504	23.8	16,722	8.3
Highways and streets	14,976	1.6	12	0.1
Sanitation	482	0.1	27	5.9
Health and human resources	68,986	7.6	7,962	13.0
Culture-recreation	55,555	6.0	5,430	10.8
Utilities or other enterprises	23,621	2.6	3,041	14.8
Miscellaneous:				
Retirement and health benefits	60,158	6.6	(1,447)	(2.3)
Other	15,774	1.7	798	5.3
Capital outlay	203,714	22.3	5,683	2.9
Debt service	148,065	16.2	2,666	1.8
Totals	<u>\$913,555</u>	<u>100.0%</u>	<u>\$ 43,874</u>	<u>5.0%</u>

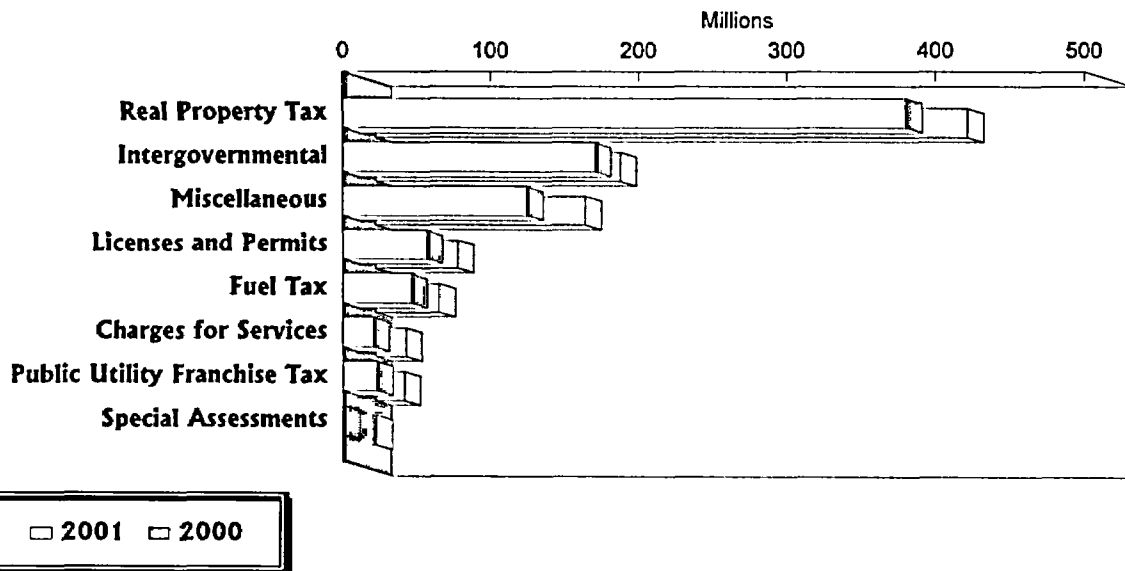
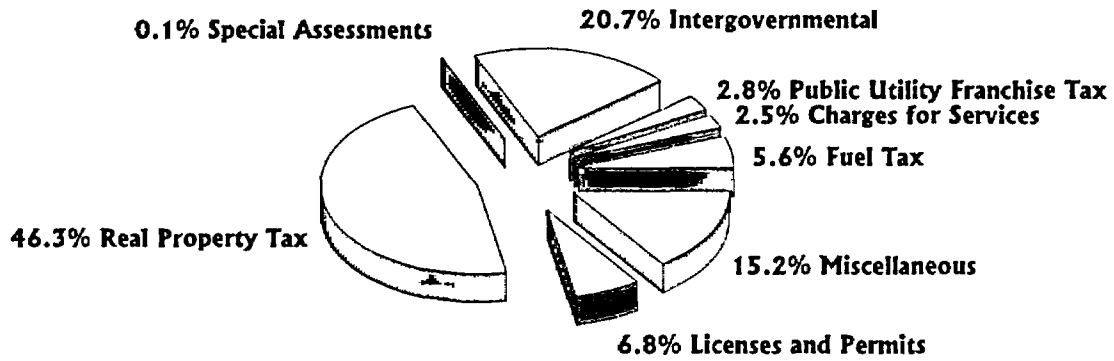
General government expenditures increased \$3 million compared to the previous year. In particular, both the automotive equipment service function and the general government facilities and infrastructure function increased \$1.4 million, and the legislative function increased \$1.1 million.

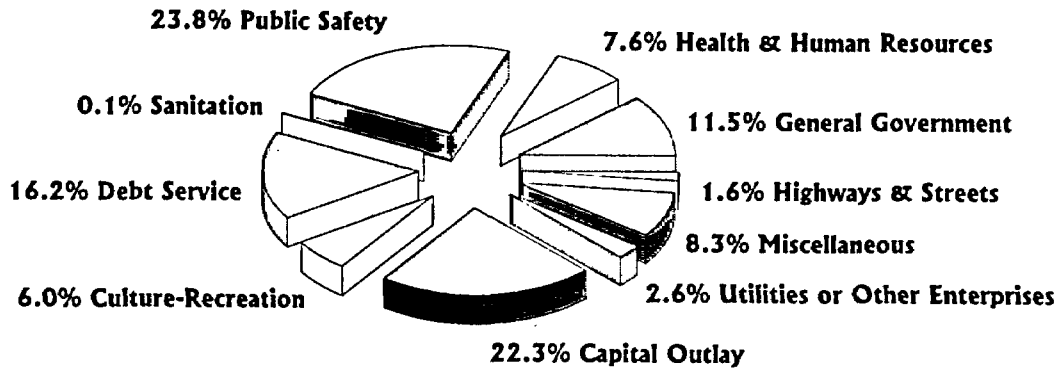
Public safety expenditures were \$16.7 million higher than the prior year. Increases were attributed to police (\$7.3 million), protective inspection (\$4 million) and fire (\$3.6 million).

Expenditures for health and human services increased \$8 million primarily due to capital improvement projects for the Department of Community Services.

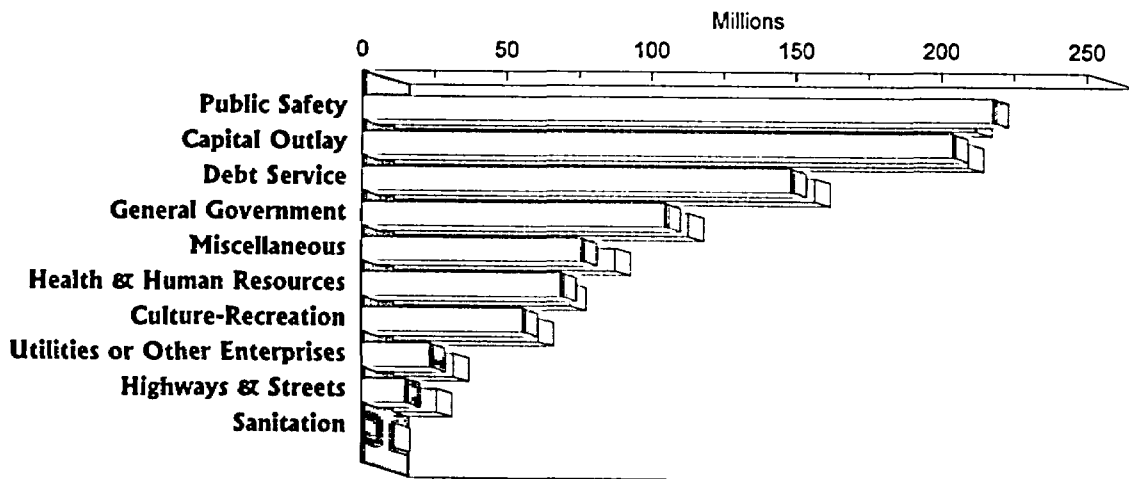
Culture-recreation expenditures increased by \$5.4 million in fiscal year 2001, in part a result of high utility costs associated with the construction of new parks. Specifically, electricity charges rose \$400,000 and water costs went up \$9.3 million. The comparative increase was offset by a nonrecurring accrual of \$3.5 million for retroactive pay raises recorded in fiscal year 2000.

Preventive maintenance of public transit vehicles (\$1.9 million) and CountryExpress! bus service to Waianae (\$1 million) accounted for most of the \$3 million increase in expenditures for utilities





**2001 Expenditures by Function**



□ 2001   □ 2000

**Comparison of Expenditures by Function  
FY 2001 and 2000**

and other enterprises.

Capital outlay increased \$5.7 million as a result of the capital improvement projects undertaken by the City for the fiscal year ended June 30, 2001.

### **Enterprise Operations**

#### **Board of Water Supply**

Gross operating revenues of the Board of Water Supply were \$103.1 million, an increase of \$3.4 million from the previous year. Operating expenses rose by \$4.9 million to \$93 million for fiscal year 2000. As a result, income from operations amounted to \$10.1 million, a decrease of \$1.5 million compared to the prior year. Net income, after considering non-operating revenues and expenses and contributions in aid of construction, totaled \$40 million, down \$15.3 million from a year ago.

During the year, all of the outstanding general obligation bond principal of \$34.4 million was refunded. On May 15, 2001, Water System Revenue Bonds of \$66.6 million were issued. \$16.4 million of the bond proceeds was used to refund outstanding revenue bond principal in advance of maturity. At year end, debt outstanding totaled \$66.6 million.

#### **Housing**

The revenue from sales of dwelling units and lots decreased by \$19.7 million from the prior year to \$1.8 million. Rental income totaled \$8 million, an increase of \$76,000 compared to fiscal year 2000. Cost of dwelling units and lots sold amounted to \$5.4 million, a drop of \$19.9 million in contrast to last year. Rental expenses were \$7.8 million, representing a decrease of \$95,000 from the previous year. The current year resulted in a net loss of \$12.2 million compared to the prior year's net loss of \$105,000.

#### **Public Transportation System**

Gross operating revenues of the City's public transit system totaled \$28.3 million, a decrease of \$61,000 from the previous year. Operating expenses totaled \$140.3 million, representing an increase of \$9.8 million compared to fiscal year 2000. The resulting operating loss of \$112 million was \$9.8 million more than last year. Net income amounted to \$5.8 million, after considering nonoperating revenues of \$655,000, nonoperating deductions of \$27,000, subsidies of \$62.8 million and capital contributions of \$54.3 million. This compares with a net loss of \$36.8 million for the previous year.

#### **Sewer**

Operating revenues consisted of sewer service charges of \$111.6 million, wastewater system facility charges of \$1.4 million and other revenues of \$72,000. Operating expenses totaled \$89 million, resulting in operating income of \$24 million. With interest expense of \$17.7 million, nonoperating expenses exceeded nonoperating revenues by \$10.6 million. After considering operating transfers out of \$6.1 million, net income amounted to \$12.1 million.

#### **Solid Waste**

Operating revenues were \$85 million, and operating expenses totaled \$96.4 million, resulting in

operating loss of \$11.4 million. Nonoperating expenses exceeded nonoperating revenues for the year by \$13.7 million, due primarily to the excess of interest expense over interest revenue. Net loss totaled \$14.6 million, after adding operating transfers in of \$40.7 million and capital contributions of \$737,000 and deducting operating transfers out of \$30.9 million.

### **Fiduciary Operations**

The trust and agency funds provide an accounting of assets held by the City in a fiduciary capacity. The trust funds consisted of \$201.4 million in revenues and \$191 million in expenditures for fiscal year 2001.

A balance of \$39.2 million remained in trust as of June 30, 2001. The agency fund, which is custodial in nature and does not involve measurement of operations, closed the year with assets and liabilities of \$3.7 million. Not included in this amount is the City's deferred compensation plan balance of \$288.4 million as of June 30, 2001 (in compliance with the provisions of GASB No. 32 "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans" which rescinds the earlier requirement that assets of IRC Section 457 deferred compensation plans be reported by employers on their balance sheet, unless the employer is acting as fiduciary for those assets).

### **Cash Management**

Interest earnings from investments of Treasury-controlled funds in excess of immediate requirements for fiscal year 2001 totaled \$42.9 million in the aggregate. The earnings correspond to an investment yield of 6.08% and include \$5.3 million for the Solid Waste Special Fund, \$7.3 million for the Sewer Fund and \$1.4 million for the Housing Development Special Fund. In comparison to fiscal year 2000, total interest earnings grew a slight 0.4%, amounting to approximately \$160 thousand, and consisted of increases of \$1.3 million in Board of Water Supply funds and \$374 thousand in Housing and Community Development funds and a decrease of \$1.5 million in City funds. On an average, the ratio of invested funds to available cash during the year was 97.3% for City funds, 96.3% for Board of Water Supply funds and 90% for Housing and Community Development funds.

### **Debt Administration**

The City issued General Obligation Bonds Series 2001A for \$141.5 million and Series 2001B for \$8.5 million on March 13, 2001 at a true interest cost of 5.05%. The proceeds were used for public improvements appropriated in the capital budget ordinances for fiscal years 1994-2001.

The Board of Water Supply issued Water System Revenue Bonds Series 2001 for \$66.6 million at a true interest cost of 5.29% on May 31, 2001. The proceeds were used to refund Water System Revenue Bonds of \$16.4 million and to finance waterworks projects.

The City issued variable rate General Obligation Bond Tax Exempt Commercial Paper Notes of \$9.3 million on June 28, 2001. The proceeds were used to refund general obligation bonds of \$9 million and to purchase equipment.

General obligation bonds totaling \$64.6 million matured during the year. The outstanding general

obligation bonds as of June 30, 2001 totaled \$1.5 billion, of which \$354.1 million were for housing, H-POWER and solid waste disposal, and \$87.4 million were for sewer projects.

Under the Constitution of the State of Hawaii and applicable provisions of the Hawaii Revised Statutes, General Obligation Bonds issued for self-supporting public undertakings, such as the water system and assessable public improvements, are excludable in determining the funded debt of the City to the extent that the reimbursements are made to the General Fund for the principal and interest due on such bonds out of net revenues for water system improvements and assessment collections for assessable public improvements. Of the total General Obligation debt, \$1.11 billion is therefore considered to be direct tax-supported debt for legal debt margin purposes.

Other outstanding debts at June 30, 2001 include special assessment bonds of \$2.1 million, note payable of \$3.7 million to the federal government for the development of recreation facilities and fish and wildlife resources at Kaneohe, note payable of \$68.8 million to the State Water Pollution Control Revolving Loan Fund for the construction of wastewater treatment and reclamation projects, \$1.7 million on a lease purchase agreement for the City's telephone network and \$3.2 million on various installment purchase contracts.

The State Constitution limits the funded debt of any county to 15% of the net taxable assessed valuation.

Net funded debt.....	<u>\$ 1.11</u> billion
Net assessed valuation of taxable real property, at 100% of fair market value.....	<u>\$ 68.7</u> billion
Ratio of debt to assessed valuation.....	<u>1.61%</u>

Since 1974, both Moody's and Standard & Poor's have assigned a double-A rating to the City's General Obligation Bonds. In March 1999, both Moody's and Standard & Poor's reduced the City's rating to Aa3 and AA-, respectively, while Fitch IBCA assigned the City their AA rating.

#### **Risk Management**

The risk management function was established under Section 2-5 of the Revised Ordinances of Honolulu requiring the creation of a risk management program to identify and control the City's exposures to liability. The program covers all City departments and agencies except the Board of Water Supply and Oahu Transit Services. Risk management activities have focused on insurance and self-insurance to minimize the adverse financial impacts of liability losses, claims management, loss prevention and other areas. The City employs a Risk Manager and an Insurance and Claims Assistant, both full-time.

The City relies on a combination of commercial insurance and self-insurance to finance its losses. Beginning in the second half of 2000, the commercial insurance marketplace experienced a significant hardening. Increases of 25-35% or more were experienced across all lines of the

insurance business, particularly for property insurance. In comparison, the premium rates for the City's master property insurance program rose 13%, due primarily to its multi-year, fixed premium policies.

With the numerator as the aggregate cost of commercial insurance premiums plus self-insured losses and related expenses excluding workers compensation and the denominator as the operating budget per thousand, the Total Cost of Risk for the City compares favorably with other mainland-based organizations and public entities of similar size and characteristics. The following is the City's risk management data (in millions) for the past four years:

	<u>1998</u>	<u>1999</u>	<u>2000</u>	<u>2001</u>
Commercial Insurance Premiums	\$4.1	\$3.7	\$3.2	\$3.5
Projected Self-Insured Losses	<u>2.8</u>	<u>3.0</u>	<u>2.2</u>	<u>2.0</u>
Total Risk Management Cost	<u>\$6.9</u>	<u>\$6.7</u>	<u>\$5.4</u>	<u>\$5.5</u>
Total Cost of Risk (per \$1,000)	\$6.71	\$6.39	\$5.37	\$5.38

From the following analysis, it appears the City's on-going efforts to reduce the frequency of losses is successful.

	<u>2000</u>	<u>2001</u>
Motor Vehicle Related	35%	27%
Towing Operations	10%	8%
Sidewalk Conditions	6%	4%
Tree-Related	5%	3%

## **OTHER INFORMATION**

### **Independent Audit**

Section 3-114 of the City Charter requires an annual financial audit by independent certified public accountants. The accounting firm of PricewaterhouseCoopers LLP was selected by the City Council to perform the audit. The auditor's report on the general purpose financial statements is included in the financial section of this report. The Board of Directors of the Board of Water Supply also selected PricewaterhouseCoopers for the audit of their financial statements.

### **Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City and County of Honolulu for its comprehensive annual financial report for the fiscal year ended June 30, 2000. This was the 15<sup>th</sup> consecutive year that the government has achieved this prestigious award. In

order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

**Acknowledgments**

I am deeply grateful for the efforts of the Accounting Division personnel, who contributed to the preparation of this report. My heartfelt appreciation is also extended to the Mayor, City Council and department heads for their leadership and support in maintaining the City's sound financial position.

Respectfully submitted,

A handwritten signature in black ink that reads "Carol Takahashi". The script is cursive and fluid.

Carol Takahashi  
Director of Budget and Fiscal Services

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City and County of  
Honolulu, Hawaii

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2000

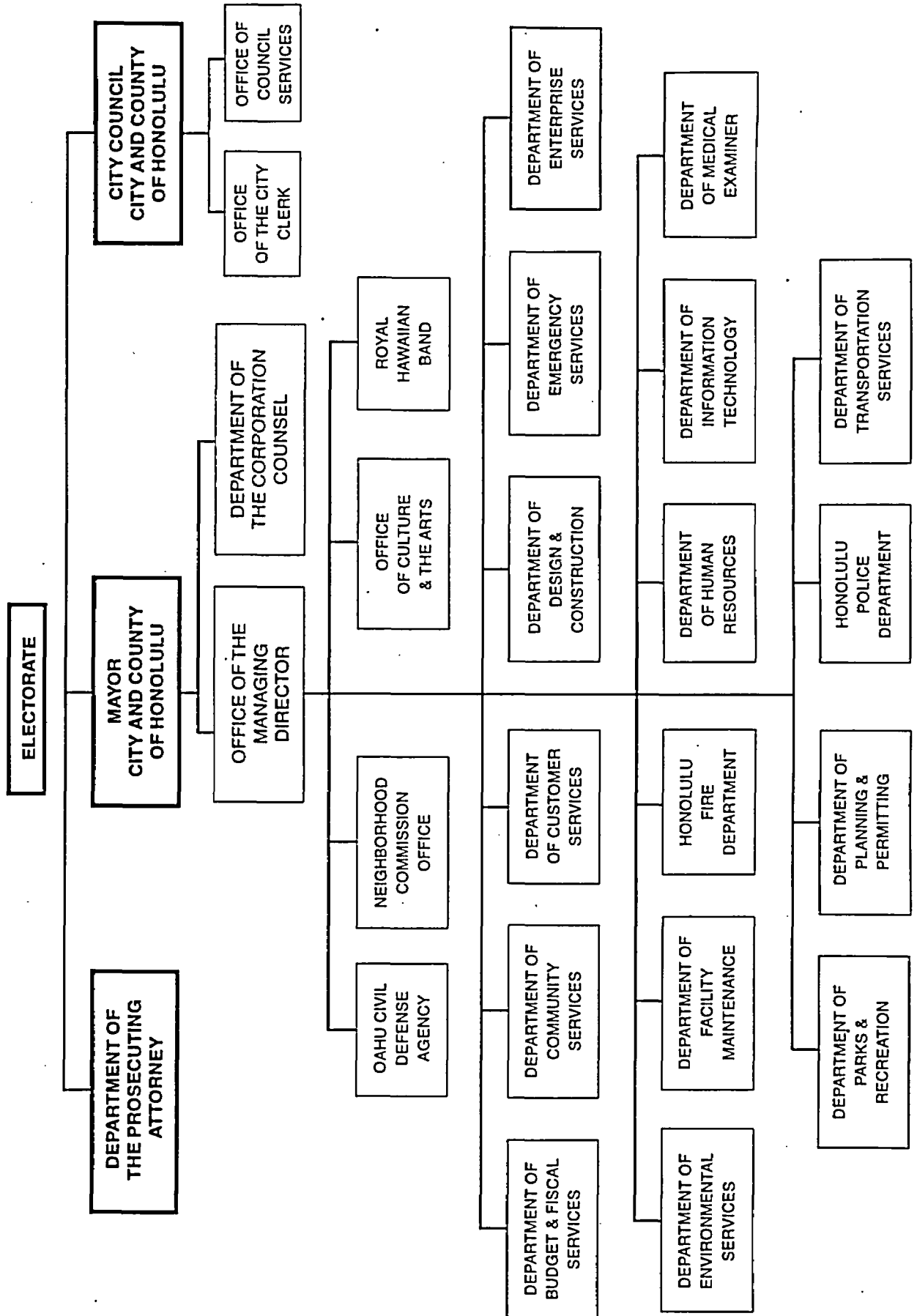
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



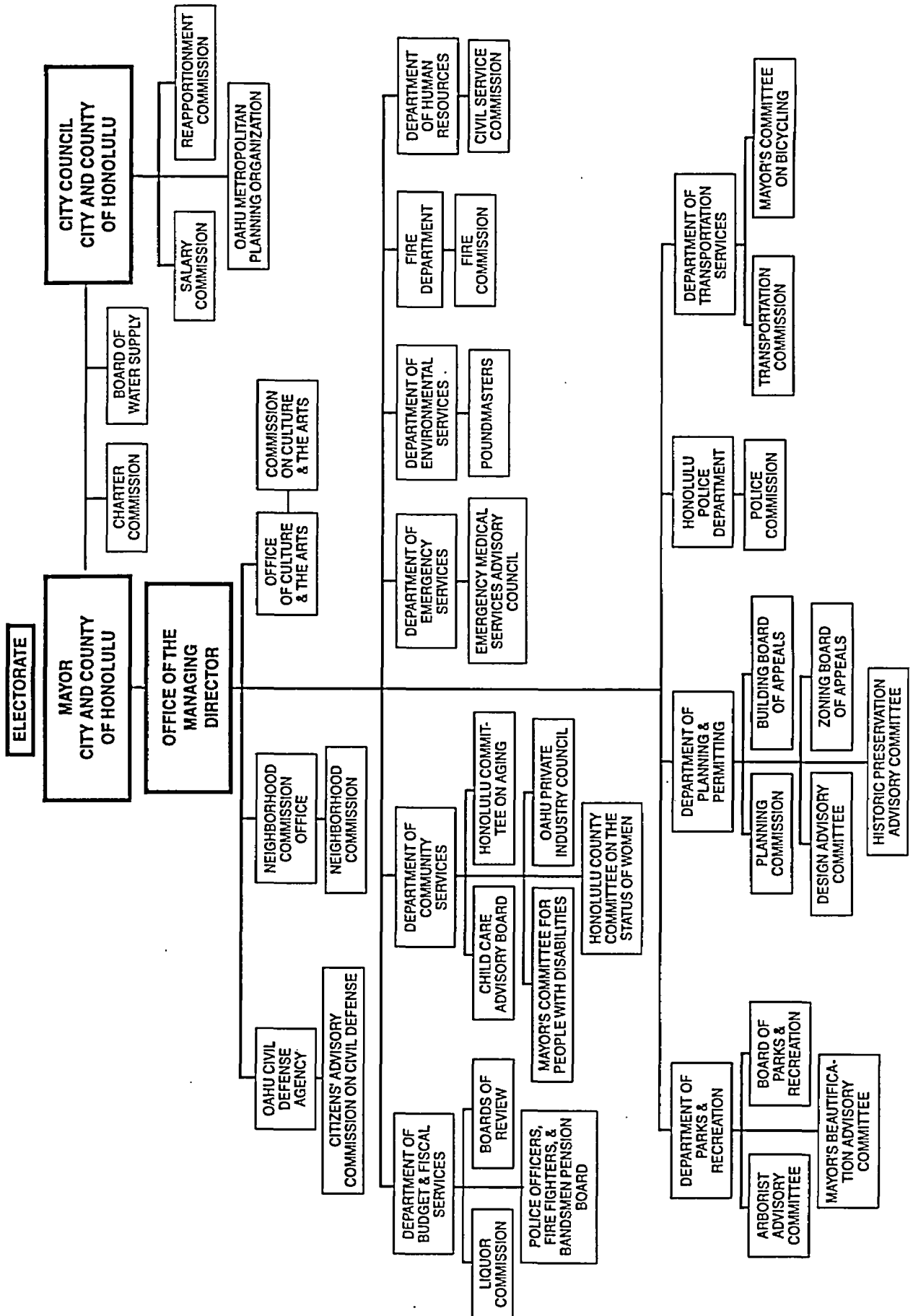
*Imelda Cruz*  
President

*Jeffrey L. Esser*  
Executive Director

# CITY AND COUNTY OF HONOLULU ORGANIZATION CHART 2001



# **CITY AND COUNTY OF HONOLULU** **1999 CHART OF BOARDS, COMMISSIONS AND ADVISORY BODIES**



CITY AND COUNTY OF HONOLULU

ELECTED OFFICIALS

EXECUTIVE BRANCH  
(2001-2004)

Mayor.....Jeremy Harris

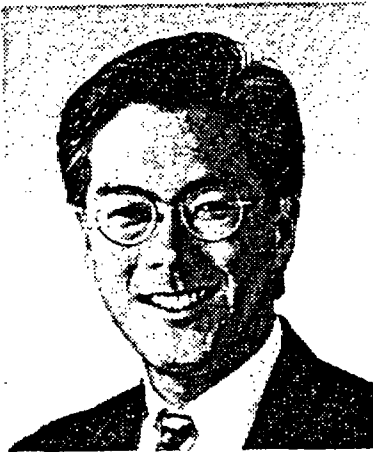
Prosecuting Attorney.....Peter Carlisle

CITY COUNCIL  
(1999-2003)

<u>Council District</u>	<u>Councilmember</u>
First.....	Rene Mansho
Second.....	Steve Holmes
Third.....	John Henry Felix
Fourth.....	Duke Bainum
Fifth.....	Andy Mirikitani (1)
Sixth.....	Jon Yoshimura
Seventh.....	Romy Cachola (2)
Eighth.....	Gary Okino (3)
Ninth.....	John DeSoto

- (1) Special election will be held in January 2002 to fill the vacancy created by Councilmember Mirikitani's resignation in December 2001.
- (2) Councilmember Romy Cachola was voted by special election in September 2000 to fill the vacancy created by former Councilmember Donna Mercado Kim's resignation in July 2000 and to complete the remaining two years of the four-year term.
- (3) Councilmember Gary Okino was voted by special election in September 2000 to fill the vacancy created by former Councilmember Mufi Hannemann's resignation in July 2000 and to complete the remaining two years of the four-year term.

## LEGISLATIVE BRANCH City Council



Chair  
**Jon Yoshimura**



Councilmember  
**Rene Mansho**



Councilmember  
**Steve Holmes**



Councilmember  
**John Henry Felix**



Councilmember  
**Duke Bainum**



Councilmember  
**Andy Mirikitani**



Councilmember  
**Romy Cachola**



Councilmember  
**Gary Okino**



Councilmember  
**John DeSoto**

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## **FINANCIAL SECTION**

## Report of Independent Accountants

To the Chair and Members of the  
City Council  
City and County of Honolulu  
Honolulu, Hawaii

We have audited the accompanying general purpose financial statements of the City and County of Honolulu, State of Hawaii (City), as of and for the year ended June 30, 2001, as listed in the accompanying table of contents. These general purpose financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We were unable to obtain sufficient information to support the City's inventories of materials and supplies of \$11,983,000 and related materials and supplies expense of \$12,656,000 in the proprietary fund type – sewer fund as of and for the year ended June 30, 2001, which are described in Note 1 to the general purpose financial statements.

In our opinion, except for the effects on the general purpose financial statements of such adjustments, if any, as might have been determined to be necessary had we been able to examine evidence regarding the carrying value of the inventories of materials and supplies and related expense in the proprietary fund type – sewer fund, the general purpose financial statements referred to in the first paragraph of this report present fairly, in all material respects, the financial position of the City and County of Honolulu, State of Hawaii, as of June 30, 2001, and the results of its operations and the cash flows of its proprietary fund type and component unit for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1 to the general purpose financial statements, on July 1, 2000, the City changed its method of accounting for contributed capital and transfers and has restated all prior years presented.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2001 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The combining and individual fund and account group financial statements and schedules listed in the table of contents under supplemental information are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the City. Such information has been subjected to the auditing procedures applied in our audit of the general purpose financial statements and, in our opinion, except as discussed in the third paragraph of this report, is fairly stated in all material respects, in relation to the general purpose financial statements.

We did not audit the Introductory and Statistical Sections listed in the table of contents and, accordingly, we do not express an opinion thereon.

*Price Waterhouse Coopers LLP*

Honolulu, Hawaii  
December 26, 2001

## **GENERAL PURPOSE FINANCIAL STATEMENTS**

CITY AND COUNTY OF HONOLULU  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 ( Amounts in thousands )

(Page 1 of 4)

	Governmental Fund Types				Proprietary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
<b>ASSETS AND OTHER DEBITS</b>					
<b>Assets:</b>					
Cash and investments:					
With Treasury and banks.....	\$ 34,330	\$ 58,506	\$ 931	\$ 96,228	\$ --
With fiscal agents.....	--	--	568	--	--
Imprest and change funds.....	--	--	--	--	--
Cash and cash equivalents -					
proprietary and component unit.....	--	--	--	--	116,479
Investments - proprietary and component unit...	--	--	--	--	107,187
<b>Receivables:</b>					
Real property taxes.....	5,950	--	--	--	--
Public Utilities.....	--	11,405	--	--	--
Accounts.....	306	--	86	1,204	31,808
Special assessments.....	--	--	2,561	--	--
Loans.....	--	13,263	--	39,648	--
Intergovernmental.....	17,449	4,763	--	3,685	--
Interest.....	1,540	--	--	--	3,310
Note.....	--	--	--	--	4,095
Component unit - CASE fees.....	--	--	--	--	--
Due from other funds.....	--	12	9,300	129	8,825
Inventories of parts, materials and supplies.....	--	--	--	--	19,466
Inventories - municipal stores.....	--	24	--	--	--
Inventories of real estate held for sale.....	--	--	--	--	4,970
Prepaid expenses and other assets.....	--	--	--	--	1,918
<b>Restricted assets:</b>					
Cash and cash equivalents.....	--	--	--	--	--
Investments.....	--	--	--	--	--
Other.....	--	--	--	--	8,288
<b>Fixed assets:</b>					
Land.....	--	--	--	--	152,109
Buildings and other improvements.....	--	--	--	--	516,433
Transmission and distribution system.....	--	--	--	--	470,943
Equipment and machinery.....	--	--	--	--	272,230
Buses and other transit vehicles.....	--	--	--	--	130,112
Construction work in progress.....	--	--	--	--	154,405
Accumulated depreciation.....	--	--	--	--	(330,848)
Deferred charges and other.....	--	--	--	--	1,916
<b>Other debits:</b>					
Amount available for debt service.....	--	--	--	--	--
Amount to be provided for retirement of					
general long-term debt.....	--	--	--	--	--
Total Assets and Other Debits.....	<u>\$ 59,575</u>	<u>\$ 87,973</u>	<u>\$ 13,446</u>	<u>\$ 140,894</u>	<u>\$ 1,673,646</u>

The notes to the combined financial statements are an integral part of this statement.

CITY AND COUNTY OF HONOLULU  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 ( Amounts in thousands )

( Page 2 of 4 )

Fiduciary Fund Type	Account Groups		Total Primary Government (Memorandum Only)	Component Unit  Enterprise	Totals - Reporting Entity ( Memorandum Only )	
	General Fixed Assets	General Long- Term Debt			2001	2000
Trust and Agency						
\$ 43,538	\$ --	\$ --	\$ 233,533	\$ --	\$ 233,533	\$ 277,650
--	--	--	568	--	568	383
217	--	--	217	--	217	260
--	--	--	116,479	54,998	171,477	172,618
--	--	--	107,187	6,740	113,927	287,724
--	--	--	5,950	--	5,950	6,638
--	--	--	11,405	--	11,405	--
--	--	--	33,404	14,742	48,146	45,018
--	--	--	2,561	--	2,561	2,994
--	--	--	52,911	--	52,911	57,850
--	--	--	25,897	--	25,897	11,048
--	--	--	4,850	231	5,081	6,784
--	--	--	4,095	--	4,095	4,097
--	--	--	--	--	--	8,413
25	--	--	18,291	--	18,291	15,315
--	--	--	19,466	3,867	23,333	28,805
--	--	--	24	--	24	47
--	--	--	4,970	--	4,970	7,388
--	--	--	1,918	107	2,025	1,265
--	--	--	--	90,692	90,692	2,824
--	--	--	--	10,280	10,280	81,124
--	--	--	8,288	2,760	11,048	19,536
--	389,256	--	541,365	29,562	570,927	530,771
--	505,124	--	1,021,557	113,308	1,134,865	1,090,426
--	--	--	470,943	845,208	1,316,151	1,253,466
--	231,560	--	503,790	149,139	652,929	624,172
--	--	--	130,112	--	130,112	123,489
--	142,945	--	297,350	107,169	404,519	293,357
--	--	--	(330,848)	(384,285)	(715,133)	(641,924)
--	--	--	1,916	2,643	4,559	2,617
--	--	1,329	1,329	--	1,329	1,312
--	--	1,234,445	1,234,445	--	1,234,445	1,123,847
<u>\$ 43,780</u>	<u>\$ 1,268,885</u>	<u>\$ 1,235,774</u>	<u>\$ 4,523,973</u>	<u>\$ 1,047,161</u>	<u>\$ 5,571,134</u>	<u>\$ 5,439,314</u>

CITY AND COUNTY OF HONOLULU  
**COMBINED BALANCE SHEET**  
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 ( Amounts in thousands )

(Page 3 of 4)

	Governmental Fund Types				Proprietary Fund Type
	General	Special Revenue	Debt Service	Capital Projects	Enterprise
<b>LIABILITIES, EQUITY AND OTHER CREDITS</b>					
<b>Liabilities:</b>					
Checks payable.....	\$ 2,261	\$ 1,163	\$ --	\$ 4,794	\$ 5,898
Accounts payable.....	1,323	513	--	14,433	14,135
Interest payable - current and matured.....	--	--	434	--	19,974
Notes payable - current .....	--	--	9,300	--	4,171
Bonds payable - current and matured.....	--	--	229	--	32,509
Reserve for insurance claims payable.....	--	--	--	--	7,774
Payable to primary government - CASE fees ....	--	--	--	--	--
Due to other funds.....	300	--	129	8,525	37
Accrued payroll.....	3,807	470	--	--	301
Other current liabilities.....	--	--	--	--	4,059
Refunded bonds payable.....	--	--	--	--	--
General obligation bonds payable.....	--	--	--	--	409,935
Revenue bonds payable.....	--	--	--	--	318,443
Special assessment bonds payable.....	--	--	--	--	--
Notes payable.....	--	--	--	--	64,658
Capital lease obligations.....	--	--	--	--	--
Installment purchase contracts.....	--	--	--	--	--
Accrued vacation pay.....	--	--	--	--	--
Claims and judgments.....	--	--	--	--	--
Early Incentive Retirement Payable.....	--	--	--	--	--
Estimated liability for landfill closure and postclosure care costs.....	--	--	--	--	13,152
Operating fee obligation, net of note rec. ....	--	--	--	--	95,689
Customer advances for plant construction .....	--	--	--	--	--
Deferred revenue.....	10,348	26,844	2,025	40,482	--
Deferred credits and other liabilities.....	--	--	--	--	22,651
<b>Total Liabilities.....</b>	<b>18,039</b>	<b>28,990</b>	<b>12,117</b>	<b>68,234</b>	<b>1,013,386</b>
<b>Equity and Other Credits:</b>					
Investment in general fixed assets.....	--	--	--	--	--
Retained earnings (deficit):					
Reserved for debt service.....	--	--	--	--	39,562
Unreserved.....	--	--	--	--	620,698
<b>Fund balances:</b>					
Reserved for encumbrances.....	18,189	29,835	--	544,139	--
Reserved for debt service.....	--	--	1,329	--	--
Reserved for amounts held in trust.....	--	--	--	--	--
Reserved for imprest and change funds.....	--	--	--	--	--
Unreserved - undesignated.....	23,347	29,148	--	(471,479)	--
<b>Total Equity and Other Credits.....</b>	<b>41,536</b>	<b>58,983</b>	<b>1,329</b>	<b>72,660</b>	<b>660,260</b>
<b>Total Liabilities, Equity and Other Credits..</b>	<b>\$ 59,575</b>	<b>\$ 87,973</b>	<b>\$ 13,446</b>	<b>\$ 140,894</b>	<b>\$ 1,673,646</b>

The notes to the combined financial statements are an integral part of this statement.

CITY AND COUNTY OF HONOLULU  
 COMBINED BALANCE SHEET  
 ALL FUND TYPES, ACCOUNT GROUPS AND DISCRETELY PRESENTED COMPONENT UNIT  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 ( Amounts in thousands )

( Page 4 of 4 )

Fiduciary Fund Type	Account Groups		Total Primary Government (Memorandum Only)	Component Unit	Totals - Reporting Entity ( Memorandum Only )	
	General Fixed Assets	General Long- Term Debt			2001	2000
Trust and Agency				Enterprise		
\$ 2,227	\$ --	\$ --	\$ 16,343	\$ --	\$ 16,343	\$ 23,737
3	--	--	30,407	4,966	35,373	36,785
--	--	--	20,408	431	20,839	20,929
--	--	--	13,471	--	13,471	3,868
--	--	--	32,738	--	32,738	31,185
--	--	--	7,774	--	7,774	5,894
--	--	--	--	--	--	8,413
9,300	--	--	18,291	--	18,291	15,315
--	--	--	4,578	--	4,578	--
1,756	--	--	5,815	16,108	21,923	13,138
--	--	--	--	--	--	29,900
--	--	1,093,784	1,503,719	--	1,503,719	1,462,281
--	--	--	318,443	66,600	385,043	335,848
--	--	2,115	2,115	--	2,115	2,485
--	--	3,700	68,358	--	68,358	67,992
--	--	1,742	1,742	--	1,742	2,207
--	--	3,155	3,155	--	3,155	943
--	--	68,915	68,915	--	68,915	69,058
--	--	52,468	52,468	--	52,468	59,458
--	--	9,895	9,895	--	9,895	--
--	--	--	13,152	--	13,152	14,151
--	--	--	95,689	--	95,689	96,246
--	--	--	--	41,660	41,660	48,607
--	--	--	79,699	--	79,699	72,399
--	--	--	22,651	9,392	32,043	31,523
13,286	--	1,235,774	2,389,826	139,157	2,528,983	2,452,362
--	1,268,885	--	1,268,885	--	1,268,885	1,239,793
--	--	--	39,562	--	39,562	38,039
--	--	--	620,698	908,004	1,528,702	1,499,105
344	--	--	592,507	--	592,507	548,829
--	--	--	1,329	--	1,329	1,312
29,933	--	--	29,933	--	29,933	28,310
217	--	--	217	--	217	260
--	--	--	(418,984)	--	(418,984)	(368,696)
30,494	1,268,885	--	2,134,147	908,004	3,042,151	2,986,952
\$ 43,780	\$ 1,268,885	\$ 1,235,774	\$ 4,523,973	\$ 1,047,161	\$ 5,571,134	\$ 5,439,314

CITY AND COUNTY OF HONOLULU  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 ( Amounts In thousands )

( Page 1 of 2 )

	Governmental	
	General	Special Revenue
<b>Revenues:</b>		
Taxes.....	\$ 380,098	\$ 68,888
Special assessments.....	--	--
Licenses and permits.....	26,820	29,446
Intergovernmental.....	35,742	78,104
Charges for services.....	4,836	15,882
Fines and forfeits.....	159	207
Miscellaneous:		
Reimbursements and recoveries.....	86,831	433
Interest.....	13,143	1,594
Other - primarily rents, concessions and trust receipts.....	5,210	14,837
<b>Total Revenues.....</b>	<b>552,839</b>	<b>209,391</b>
<b>Expenditures:</b>		
<b>Current:</b>		
General government.....	86,444	18,276
Public safety.....	193,692	23,812
Highways and streets.....	2,964	12,012
Sanitation.....	--	482
Health and human resources.....	14,327	54,659
Culture-recreation.....	38,792	16,763
Utilities or other enterprises.....	140	23,481
Miscellaneous:		
Retirement and health benefits.....	51,565	8,593
Other.....	14,547	1,227
Capital outlay.....	2,670	--
<b>Debt service:</b>		
Principal retirement.....	1,084	--
Interest charges.....	362	--
Issuance costs .....	--	--
<b>Total Expenditures.....</b>	<b>406,587</b>	<b>159,305</b>
<b>Revenues over (under) Expenditures.....</b>	<b>146,252</b>	<b>50,086</b>
<b>Other Financing Sources (Uses):</b>		
Proceeds of general obligation bonds.....	--	--
Proceeds of refunding bonds.....	--	--
Proceeds of long-term notes.....	--	--
Inception of installment purchase contracts.....	2,670	--
Sales of general fixed assets.....	117	140
Payment of refunded bonds .....	--	--
Operating transfers in.....	47,634	14,309
Operating transfers out.....	(213,996)	(73,106)
<b>Total Other Financing Sources (Uses).....</b>	<b>(163,575)</b>	<b>(58,657)</b>
<b>Revenues and Other Sources over         (under) Expenditures and Other Uses.....</b>	<b>(17,323)</b>	<b>(8,571)</b>
<b>Fund Balances - July 1.....</b>	<b>58,859</b>	<b>67,554</b>
<b>Fund Balances - June 30.....</b>	<b>\$ 41,536</b>	<b>\$ 58,983</b>

The notes to the combined financial statements are an integral part of this statement.

CITY AND COUNTY OF HONOLULU  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**

FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 ( Amounts in thousands )

( Page 2 of 2 )

Fund Types		Fiduciary Fund Type	Totals ( Memorandum Only )	
Debt Service	Capital Projects	Expendable Trust	2001	2000
\$ --	\$ --	\$ --	\$ 448,986	\$ 461,255
445	--	--	445	447
--	--	--	56,266	55,157
--	56,306	--	170,152	165,189
--	--	--	20,718	20,489
--	--	--	366	477
--	--	--	87,264	97,143
497	--	288	15,522	15,633
11	1,605	191,816	213,479	294,909
<u>953</u>	<u>57,911</u>	<u>192,104</u>	<u>1,013,198</u>	<u>1,110,699</u>
--	--	177,686	282,406	348,481
--	--	1,220	218,724	202,353
--	--	75	15,051	14,980
--	--	561	1,043	1,083
--	--	2,005	70,991	63,892
--	--	9,420	64,975	68,861
--	--	27	23,648	20,582
--	--	--	60,158	61,605
--	--	--	15,774	14,976
--	201,044	--	203,714	198,031
146,619	--	--	147,703	69,417
77,534	--	--	77,896	75,982
--	--	--	--	918
<u>224,153</u>	<u>201,044</u>	<u>190,994</u>	<u>1,182,083</u>	<u>1,141,161</u>
<u>(223,200)</u>	<u>(143,133)</u>	<u>1,110</u>	<u>(168,885)</u>	<u>(30,462)</u>
--	150,060	--	150,060	111,500
9,300	--	--	9,300	38,500
--	--	--	--	6,094
--	--	--	2,670	86
--	26	--	283	18,006
(9,300)	--	--	(9,300)	(43,500)
145,812	14,073	--	221,828	230,941
(129)	(1,272)	--	(288,503)	(361,571)
<u>145,683</u>	<u>162,887</u>	<u>--</u>	<u>86,338</u>	<u>56</u>
(77,517)	19,754	1,110	(82,547)	(30,406)
<u>1,312</u>	<u>52,906</u>	<u>29,384</u>	<u>210,015</u>	<u>240,421</u>
<u>\$ (76,205)</u>	<u>\$ 72,660</u>	<u>\$ 30,494</u>	<u>\$ 127,468</u>	<u>\$ 210,015</u>

CITY AND COUNTY OF HONOLULU  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**BUDGET AND ACTUAL - GENERAL AND SPECIAL REVENUE FUND TYPES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**  
(Amounts in thousands)

	General Fund			Special Revenue Funds		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
<b>Revenues:</b>						
Taxes.....	\$ 374,099	\$ 380,098	\$ 5,999	\$ 64,257	\$ 68,888	\$ 4,631
Licenses and permits.....	26,063	26,820	757	26,678	29,446	2,768
Intergovernmental.....	35,018	35,742	724	95,214	78,104	(17,110)
Charges for services.....	4,702	4,836	134	16,774	15,882	(892)
Fines and forfeits.....	176	159	(17)	229	207	(22)
Miscellaneous:						
Reimbursements and recoveries.....	91,741	86,831	(4,910)	328	433	105
Interest.....	11,204	13,143	1,939	1,205	1,594	389
Other.....	18,725	5,210	(13,515)	13,964	14,765	801
<b>Total Revenues.....</b>	<b>561,728</b>	<b>552,839</b>	<b>(8,889)</b>	<b>218,649</b>	<b>209,319</b>	<b>(9,330)</b>
<b>Expenditures:</b>						
<b>Current:</b>						
General government.....	93,226	88,341	4,885	19,613	17,450	2,163
Public safety.....	200,594	193,202	7,392	25,818	22,826	2,992
Highways and streets.....	3,329	3,054	275	12,868	12,329	539
Sanitation.....	--	--	--	620	512	108
Health and human resources.....	13,781	13,445	336	65,670	48,038	17,632
Culture-recreation.....	39,003	38,531	472	18,040	16,762	1,278
Utilities or other enterprises.....	140	140	--	22,976	22,756	220
Miscellaneous:						
Retirement and health benefits.....	57,255	55,042	2,213	8,667	8,594	73
Other.....	14,908	12,924	1,984	1,697	1,227	470
<b>Debt Service:</b>						
Principal retirement.....	162	162	--	--	--	--
Interest charges.....	197	197	--	--	--	--
<b>Total Expenditures.....</b>	<b>422,595</b>	<b>405,038</b>	<b>17,557</b>	<b>175,969</b>	<b>150,494</b>	<b>25,475</b>
<b>Revenues over Expenditures.....</b>	<b>139,133</b>	<b>147,801</b>	<b>8,668</b>	<b>42,680</b>	<b>58,825</b>	<b>16,145</b>
<b>Other Financing Sources (Uses):</b>						
Sales of general fixed assets.....	130	117	(13)	126	140	14
Operating transfers in.....	48,004	47,634	(370)	13,037	14,309	1,272
Operating transfers out.....	(219,690)	(213,996)	5,694	(64,025)	(63,855)	170
<b>Total Other Financing Sources (Uses).....</b>	<b>(171,556)</b>	<b>(166,245)</b>	<b>5,311</b>	<b>(50,862)</b>	<b>(49,406)</b>	<b>1,456</b>
<b>Revenues and Other Sources over</b>						
<b>(under) Expenditures and Other Uses.....</b>	<b>(32,423)</b>	<b>(18,444)</b>	<b>13,979</b>	<b>(8,182)</b>	<b>9,419</b>	<b>17,601</b>
<b>Unreserved - Undesignated Fund Balances - July 1.....</b>	<b>40,300</b>	<b>38,176</b>	<b>(2,124)</b>	<b>20,190</b>	<b>20,047</b>	<b>(143)</b>
<b>Unreserved - Undesignated Fund Balances - June 30</b>						
<b>(Budgetary Basis).....</b>	<b>\$ 7,877</b>	<b>19,732</b>	<b>\$ 11,855</b>	<b>\$ 12,008</b>	<b>29,466</b>	<b>\$ 17,458</b>
<b>Adjustments to conform with generally accepted</b>						
<b>accounting principles:</b>						
Encumbrances included above.....		13,741			12,262	
Expenditures - prior year encumbrances.....		(15,275)			(20,996)	
Accrued retirement contribution .....		3,477			--	
Accrued payroll .....		(822)			(15)	
Decrease in reserved for encumbrances.....		2,494			10,537	
Operating transfers out - prior year encumbrances...		--			(9,251)	
<b>Unreserved - Undesignated Fund Balances - June 30</b>						
<b>(GAAP Basis).....</b>		<b>23,347</b>			<b>22,003</b>	
Reserved for Encumbrances - June 30.....		18,189			29,834	
Non-budgeted funds, Fund balances - June 30.....		--			7,146	
<b>Fund Balances - June 30 (GAAP Basis).....</b>		<b>\$ 41,536</b>			<b>\$ 58,983</b>	

The notes to the combined financial statements are an integral part of this statement.

CITY AND COUNTY OF HONOLULU  
 COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS (DEFICIT)  
 PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

	Proprietary Fund Type	Component Unit	Totals - Reporting Entity (Memorandum Only)	
	Enterprise	Enterprise	2001	2000
Operating Revenues:				
Water sales .....	\$ --	\$ 102,413	\$ 102,413	\$ 99,260
Sales of dwelling units and lots .....	1,818	--	1,818	21,488
Rental income .....	11,275	--	11,275	11,199
Sewer service charges .....	111,555	--	111,555	122,450
Disposal and collection fees .....	54,323	--	54,323	53,192
Electrical energy fee .....	26,163	--	26,163	27,906
Passenger fares for transit services .....	27,851	--	27,851	27,928
Other revenue .....	3,249	696	3,945	4,770
Total Operating Revenues .....	236,234	103,109	339,343	368,193
Operating Expenses:				
Administrative and general .....	66,125	19,062	85,187	92,534
Power and pumping .....	--	13,746	13,746	12,282
Transmission and distribution .....	--	6,489	6,489	5,665
Customers' accounting and collecting .....	--	3,461	3,461	3,643
Water reclamation .....	--	1,542	1,542	--
Maintenance .....	2,816	17,069	19,885	16,291
Central administrative service expenses .....	--	4,786	4,786	8,413
Depreciation .....	56,345	26,537	82,882	82,220
Contractual services .....	46,537	--	46,537	47,951
Supplemental operating fee .....	3,223	--	3,223	3,223
Labor .....	61,240	--	61,240	56,797
Fringe benefits .....	44,037	--	44,037	42,958
Materials and supplies .....	23,913	--	23,913	13,150
Fuel and lubricants .....	9,386	--	9,386	4,919
Insurance .....	7,995	--	7,995	8,246
State taxes - fuel .....	2,475	--	2,475	2,380
Utilities .....	9,333	--	9,333	9,398
Cost of sales - dwelling units and lots .....	5,391	--	5,391	25,286
Provision for losses on dwelling units and lots .....	6,000	--	6,000	--
Other .....	156	314	470	584
Total Operating Expenses .....	344,972	93,006	437,978	435,940
Operating Income (Loss) .....	(108,738)	10,103	(98,635)	(67,747)
Nonoperating Revenues (Expenses):				
Interest revenue .....	26,639	11,055	37,694	42,341
Interest expense .....	(50,844)	(284)	(51,128)	(67,062)
Loss from disposal of property .....	(91)	--	(91)	(821)
Amortization expense .....	(233)	--	(233)	(234)
Net increase (decrease) in the fair value of investments .....	152	--	152	(178)
Other .....	480	(1,892)	(1,412)	4,677
Total Nonoperating Revenues (Expenses) .....	(23,897)	8,879	(15,018)	(21,277)
Income (Loss) before Operating Transfers and Capital Contributions .....	(132,635)	18,982	(113,653)	(89,024)
Operating Transfers In .....	103,708	--	103,708	142,502
Operating Transfers Out .....	(37,034)	--	(37,034)	(11,872)
Capital Contributions .....	57,104	20,995	78,099	591,701
Net Income (Loss) .....	(8,857)	39,977	31,120	633,307
Retained Earnings (Deficit) - July 1 .....	669,117	868,027	1,537,144	903,837
Retained Earnings (Deficit) - June 30 .....	\$ 660,260	\$ 908,004	\$ 1,568,264	\$ 1,537,144

The notes to the combined financial statements are an integral part of this statement.

CITY AND COUNTY OF HONOLULU  
 COMBINED STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 1 of 2)

	Proprietary Fund Type Enterprise	Component Unit Enterprise	Totals - Reporting Entity (Memorandum Only)	
			2001	2000
Cash flows from operating activities:				
Operating Income (loss) .....	\$ (108,738)	\$ 10,103	\$ (98,635)	\$ (67,747)
Adjustments to reconcile operating Income (loss) to net cash provided by (used in) operating activities:				
Depreciation .....	56,345	26,537	82,882	82,220
Provision for losses on dwelling units and lots .....	6,000	--	6,000	--
Other revenues .....	771	236	1,007	5,382
Increase in accounts receivable .....	(519)	(98)	(617)	(405)
Increase in note receivable due to sale of real estate .....	--	--	--	(4,057)
(Increase) decrease in due from other funds ...	(2,702)	--	(2,702)	174
(Increase) decrease in parts, materials and supplies .....	6,016	(565)	5,451	(8,025)
Decrease in real estate held for sale .....	5,238	--	5,238	23,099
(Increase) decrease in prepaid expenses and other assets .....	(381)	(314)	(695)	307
Increase in trade accounts and checks payables .....	936	1,456	2,392	8,043
Increase (decrease) in reserve for Insurance claims payable .....	1,879	--	1,879	(8,779)
Decrease in accrued vacation .....	--	(354)	(354)	(22)
Increase (decrease) in deferred credits .....	(212)	--	(212)	8,690
Increase in accrued workers' compensation .....	--	252	252	431
Increase (decrease) in other liabilities .....	1,833	(8,412)	(6,579)	(14,617)
Decrease in due to other funds .....	(568)	--	(568)	(895)
Net cash provided by (used in) operating activities .....	(34,102)	28,841	(5,261)	23,799
Cash flows from noncapital financing activities:				
Operating transfers in .....	103,401	--	103,401	109,685
Operating transfers out .....	(37,034)	--	(37,034)	(11,885)
Net cash provided by noncapital financing activities .....	66,367	--	66,367	97,800
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets .....	(66,974)	(150,761)	(217,735)	(95,287)
Proceeds from Issuing bond anticipation notes ....	4,904	--	4,904	--
Principal paid on operating fee obligation .....	(15,777)	--	(15,777)	(9,549)
Interest paid on operating fee obligation .....	(14,835)	--	(14,835)	(15,498)
Customers advances for capital projects .....	--	5,333	5,333	4,804
Proceeds from Issuing bonds .....	3	64,504	64,507	45,820
Payment to refunded bond escrow agent .....	--	--	--	(45,820)
Principal paid on notes .....	(4,074)	--	(4,074)	(3,673)
Principal paid on bonds .....	(28,329)	(54,998)	(83,327)	(33,993)
Interest paid on notes .....	(2,347)	--	(2,347)	(2,168)
Interest paid on bonds .....	(39,163)	(1,837)	(41,000)	(45,710)
Contributed capital .....	21,864	--	21,864	18,756
Net cash used in capital and related financing activities .....	(144,728)	(137,759)	(282,487)	(182,318)

(continued)

CITY AND COUNTY OF HONOLULU  
 COMBINED STATEMENT OF CASH FLOWS  
 PROPRIETARY FUND TYPE AND DISCRETELY PRESENTED COMPONENT UNIT  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 2 of 2)

	Proprietary Fund Type Enterprise	Component Unit Enterprise	Totals - Reporting Entity (Memorandum Only)	
			2001	2000
Cash flows from Investing activities:				
Purchase of Investments .....	(1,059,202)	(276,602)	(1,335,804)	(1,480,882)
Proceeds from maturities of Investments .....	1,087,502	492,943	1,580,445	1,465,485
Principal received on note receivable .....	12,977	--	12,977	8,053
Interest received on note receivable .....	12,245	--	12,245	12,892
Deposits into restricted assets .....	(1,246)	--	(1,246)	(5,692)
Withdrawals from restricted assets .....	9,275	--	9,275	16,331
Interest on Investments .....	14,926	15,290	30,216	26,826
Net cash provided by investing activities .....	76,477	231,631	308,108	43,013
Net increase (decrease) in cash and cash equivalents .....	(35,986)	122,713	86,727	(17,706)
Cash and cash equivalents - July 1 .....	152,465	22,977	175,442	193,148
Cash and cash equivalents - June 30 .....	\$ 116,479	\$ 145,690	\$ 262,169	\$ 175,442
(Including \$90,692 and \$2,824 in restricted accounts in 2001 and 2000)				

Supplemental disclosure of noncash capital and related financing activities (amounts in thousands):

Board of Water Supply

The Board received \$8,715 and \$19,312 in contributions of property, plant and equipment from governmental agencies, developers and customers, which are recorded at their cost or estimated cost at June 30, 2001 and 2000, respectively.

Housing

Amortization of deferred refinancing charges amounted to \$99 for the years ended June 30, 2001 and 2000.

Solid Waste

Amortization of bond discount amounted to \$134 and \$135 for the years ended June 30, 2001 and 2000, respectively.

Public Transportation System

The Public Transportation System received contributions of fixed assets from the City and County of Honolulu amounting to \$32,489 and \$12,920 for the years ended June 30, 2001 and 2000, respectively.

The notes to the combined financial statements are an integral part of this statement.

# **CITY AND COUNTY OF HONOLULU**

## **Notes to the General Purpose Financial Statements**

### **1. Summary of Significant Accounting Policies**

#### **Basis of Presentation**

The accompanying combined financial statements of the City and County of Honolulu, State of Hawaii (City), have been prepared in conformity with generally accepted accounting principles (GAAP) for governments as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting and presentation policies used in the preparation of such financial statements:

#### **The Financial Reporting Entity**

The City is a municipal corporation governed by an elected mayor and a nine-member City Council. The City operates under a City Charter, which was originally adopted in 1959 and last amended in 1998.

The accompanying combined financial statements present the operations of the City, as primary government, as well as its discretely presented component unit, the Board of Water Supply.

The City's operations are organized by the following general functions: general government, public safety, highways and streets, sanitation, health and human resources, culture and recreation, urban redevelopment and housing, and utilities or other enterprises.

State of Hawaii (State) agencies assume full responsibility for several major functions usually performed by local governments such as education, welfare, health and judicial functions. These agencies are not dependent on the City and therefore, are not included in these general purpose financial statements. There are no separate city, county or township governments nor any school district, special districts, authorities or public corporations with overlapping authority presented in the accompanying general purpose financial statements.

**Discretely Presented Component Unit** – The component unit column in the combined financial statements (presented as an enterprise fund) includes the financial data of the City's discretely presented component unit, the Board of Water Supply (Board), which is a semi-autonomous proprietary agency of the City. It is reported in a separate column to emphasize that it is legally separate from the City.

A majority of the members of the Board, the governing body, are appointed by the Mayor and confirmed by the City Council. The Board has been granted corporate powers by the City Charter. The City does not have the authority to modify or approve the Board's budgets. Water and revenue bonds payable of the Board are general obligations of the City. As the City would be obligated to repay these bonds in the event of default by the Board, the City is financially accountable for the debts of the Board. Complete financial statements of the Board may be obtained from the

Board of Water Supply  
630 South Beretania Street  
Honolulu, Hawaii 96843

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

#### **Fund Accounting**

The accounts of the City are organized and operated on the basis of funds and account groups, each of which is defined as a separate fiscal and accounting entity with a self-balancing set of accounts that comprise its assets, liabilities, equity, revenues and expenditures (or expenses). Government resources are allocated to, and accounted for, in individual funds based upon the purpose for which the resources are to be spent and the means by which spending activities are controlled. Account groups are designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

The City has the following fund types and account groups:

#### **Governmental Fund Types**

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related liabilities (except those accounted for in proprietary funds) are accounted for through governmental funds. Governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Fund balance (i.e., net current assets) is considered a measure of expendable available financial resources. Operating statements of those funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The City's governmental fund types are as follows:

**General Fund** – The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Special Revenue Funds** – Special revenue funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

**Debt Service Funds** – Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

**Capital Projects Funds** – Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

# **CITY AND COUNTY OF HONOLULU**

## **Notes to the General Purpose Financial Statements**

### **Proprietary Fund Type and Component Unit Financial Statements**

The proprietary funds including the City's component unit are used to account for activities that are similar to those often found in the private sector. The City's proprietary funds and its discretely presented component unit are accounted for on a flow of economic resources measurement focus. With this measurement focus, assets and liabilities (whether current or noncurrent) associated with the operation of those funds are included on the balance sheet. Retained earnings (i.e., net total assets) comprises unreserved and reserve for debt service balances. Operating statements of those funds present increases (e.g., revenues) and decreases (e.g., expenses) in net total assets. The City maintains four proprietary enterprise fund types as well as its discretely presented component unit under the following criteria:

**Enterprise Funds** – Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises (a) where the intent of the governing body is that the costs (i.e., expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

### **Fiduciary Fund Type**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The City maintains several fiduciary fund types as follows:

**Trust Funds** – Trust funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments and/or funds. This includes expendable trust funds, which are accounted for in essentially the same manner as governmental funds.

**Agency Funds** – Agency funds are custodial in nature and are used to receive and disburse funds for an entity/individual, which is not part of the City. Agency funds function as a clearing account and do not measure results of operations.

# **CITY AND COUNTY OF HONOLULU**

## **Notes to the General Purpose Financial Statements**

### **Account Groups**

Account groups are used to establish accounting control and accountability for the City's general fixed assets and general long-term debt. Account groups are not funds and, accordingly, do not reflect available financial resources and related liabilities. The City's account groups are as follows:

**General Fixed Assets Account Group** – This account group is used to account for all fixed assets of the City, other than those accounted for in proprietary funds and the component unit.

**General Long-Term Debt Account Group** – This account group is used to account for all long-term obligations of the City, other than those accounted for in proprietary funds and the component unit.

### **Basis of Accounting**

**Modified Accrual Basis** – The modified accrual basis of accounting is followed for the governmental fund and fiduciary fund types. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (that is, both measurable and available). "Measurable" means the amounts are determinable. "Available" means the amounts are collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Revenues not considered available are recorded as deferred revenues. Revenues susceptible to accrual are real property taxes collected within sixty days after fiscal year end, fuel taxes, rents and concessions, interest and special assessments. Licenses and permits revenues, franchise taxes, charges for current services, fines, forfeitures, penalties and other miscellaneous revenues are not susceptible to accrual because they are not measurable until received in cash.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the individual programs are used as guidance. There are essentially two types of these revenues. For one type of revenues, monies must be expended for a specific purpose or project and revenues are recognized to the extent of such expenditures. Revenues of this type are deferred for monies received in advance of expenditures and accrued for expenditures in advance of monies received. For the other type of revenues, monies are virtually unrestricted as to purpose of the expenditure. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible to accrual criteria are met.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include accrued vacation benefits and claims and judgments, which are included in the general long-term debt account group and are recognized as expenditures when liquidated with expendable available financial resources, and principal and interest payments for general long-term debt, which are recognized as expenditures when due.

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

**Accrual Basis** – The accrual basis of accounting is used by the City's proprietary fund type and component unit. Under this method, revenues are recognized when earned and expenses are recognized when goods or services have been received or a liability has been incurred.

The City's proprietary fund type and component unit follow all applicable pronouncements of the GASB as well as pronouncements of the Financial Accounting Standards Board and its predecessor standard setting body, the Accounting Principles Board, that were issued on or before November 30, 1989, unless those pronouncements conflict or contradict GASB pronouncements.

#### **Budgets and Budgetary Accounting**

Annual operating and project-length capital budgets are adopted on a basis consistent with GAAP except that encumbrances are treated as budgeted expenditures in the year the commitments are made (see Note 2).

#### **Encumbrances**

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable operating budget appropriation, is employed as an extension of formal budgetary integration in the general fund and in certain special revenue funds. Capital projects funds employ encumbrance accounting in order to reserve for construction contracts that portion of the applicable capital projects appropriation.

Encumbrances are recorded at the time purchase orders, construction contracts or other contracts or commitments are awarded, except for contracts awarded contingent upon the availability of nonbudgeted federal or state grant monies. Encumbrances outstanding at year end are reported as reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

#### **Cash and Investments**

Cash includes amounts in demand and time deposits primarily with various financial institutions in Hawaii, with fiscal agents, and in imprest and change funds. Cash on deposit with financial institutions is collateralized in accordance with State statutes (see Note 3).

Investments consist of temporary investments in U.S. government securities, investments purchased under agreements to resell to banks (repurchase agreements), time certificates of deposit and mutual funds. Included are participating interest-earning investment contracts (repurchase agreements and U.S. government securities) that have remaining maturities at the time of purchase of one year or less, as well as nonparticipating interest-earning investment contracts (time certificates of deposit and repurchase agreements). Both categories of investments are stated at amortized cost (see Note 3).

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

The City values investments in accordance with GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools." This statement provides fair value standards for investments in certain types of financial instruments. The City's investments fall into categories that can be valued by cost-based measures.

For purposes of the combined statement of cash flows, the enterprise funds, including the component unit, consider all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

#### **Real Property Taxes**

Real property taxes are assessed and billed annually. The City's real property taxes, which are levied on July 1 and billed on July 20 of each year are based on assessed valuations as of January 1, and are due in two equal installments on the following August 20 and February 20. Accordingly, real property taxes receivable at June 30, 2001 are delinquent and amounts which are not collected within sixty days after year end are reported as deferred revenue. A lien for real property taxes attaches as of July 1 of each year.

#### **Inventories of Parts, Materials and Supplies**

Inventories of parts, materials and supplies are stated at weighted average cost, which approximates fair value. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Since physical inventories of materials and supplies were not conducted at June 30, 2001, the City was unable to determine the inventories of materials and supplies at June 30, 2001 and related materials and supplies expense for the year then ended. However, the City plans to perform a physical inventory of the materials and supplies in fiscal 2002.

#### **Inventory of Real Estate Held for Sale**

Real estate held for sale is stated at the lower of cost or estimated net realizable value, with cost being determined by the specific identification method. All estimated costs to the anticipated date of disposition are considered in the determination of estimated net realizable value. Costs include all costs directly related to the planning of improvements to be constructed on the land, interest and other carrying charges. Interest on loans used to finance development or construction activities is capitalized during the development period.

#### **Fixed Assets**

Fixed assets acquired or constructed for general governmental purposes (see Note 4) are recorded as expenditures in the fund financing the purchase and are capitalized at historical cost in the general fixed assets account group. Gifts or contributions are recorded at fair value on the date donated. Equipment costing less than \$500 is not capitalized. No depreciation is provided for general fixed assets.

# **CITY AND COUNTY OF HONOLULU**

## **Notes to the General Purpose Financial Statements**

Infrastructure (including bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems) have not been capitalized in the general fixed assets account group. Such public domain assets normally are immovable and of value only to the City; therefore, the purpose of stewardship for capital expenditures is satisfied without recording these assets.

Fixed assets and infrastructure (sewer system, network of pipes and sewer mains) acquired or constructed by or for enterprise funds, including the component unit, are capitalized at cost in the fund in which they are utilized. Fixed assets transferred to enterprise funds are recorded at cost. Contributed fixed assets are recorded at estimated fair value on the date donated. Enterprise fund construction costs include direct and overhead costs and interest charges on long-term debt incurred during the construction period.

Depreciation expense for enterprise fund assets in service is computed using the straight-line method over the following estimated economic useful lives:

	<u><b>Years</b></u>
Buildings and improvements other than buildings	10-50
Transmission and distribution system	13-50
Equipment and machinery	3-20
Buses and other transit vehicles	7-12

Sales and retirements of depreciable property are recorded by removing the related cost and accumulated depreciation from the accounts. Gains or losses on sales and retirements of property are reflected in results of operations.

### **Intrafund and Interfund Transactions**

Interfund receivables and payables (see Note 5) are reported in each fund. Transfers of financial resources between agencies and activities included in the same fund, which are recorded as revenues by the transferee and expenditures or expenses by the transferor, have been eliminated. Transactions that represent reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of expenditures or expenses in the fund reimbursed.

Operating transfers from the primary government include operating loss subsidies of \$62.8 million to the Public Transportation System and authorized transfers from funds receiving revenues to funds that will expend those resources. Contributions to the capital accounts of enterprise funds are reflected in the statement of revenue and expenses.

### **Long-Term Liabilities**

The long-term liabilities of the City (see Note 6), except for those related to enterprise funds and the component unit, are included in the general long-term debt account group. Long-term liabilities of enterprise funds are reported in those funds. Discounts on bonds payable in the enterprise funds are amortized over the lives of the bonds.

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

#### **Retirement Plan Contributions**

The City's contribution to the Employees' Retirement System of the State of Hawaii (see Note 7) is based upon actuarial computations and is comprised of the normal cost plus a level annual payment required to amortize an unfunded actuarial accrued liability over the remaining period of 19 years from July 1, 1997. The City is required by State statute to fund the actuarially determined pension contribution requirement annually.

#### **Deferred Compensation Plan**

All full-time employees of the City and its component unit are eligible to participate in the City and County of Honolulu's Public Employees' Deferred Compensation Program (Plan), adopted pursuant to Internal Revenue Code Section 457. The plan permits eligible employees to defer a portion of their salary until future years by contributing to a fund managed by a plan administrator. The deferred compensation amounts are not available to employees until termination, retirement, death or unforeseeable emergency.

A trust fund (annuity contract) was established to protect plan assets from claims of general creditors and from diversion to any uses other than paying benefits to participants and beneficiaries. Deferred compensation plan assets of \$288 million are not reported in the accompanying general purpose financial statements at June 30, 2001.

It is the opinion of the City's legal counsel that the City has no liability for losses under the plan, but does have the duty of due care that would be required of an ordinary prudent investor.

#### **Compensated Absences**

Vacation pay is recorded as an expenditure when liquidated with expendable available financial resources. Vested and accumulated vacation pay is accrued in the general long-term debt account group, until liquidated, for all funds except enterprise funds including the component unit. Enterprise funds accrue a liability and expense for vacation benefits earned by their employees. Vacation benefits accrue at one and three-quarters working days for each month. Each employee is allowed to accumulate a maximum of 90 days of vacation as of the end of the calendar year.

Sick leave accumulates at the rate of one and three-quarters working days for each month, without limit. Sick leave is taken only in the event of illness and is not convertible to pay; accordingly, sick leave is not accrued in the accompanying general purpose financial statements. Employees who retire or leave government service in good standing with sixty or more unused sick leave days are entitled to an additional service credit in the retirement system. At June 30, 2001, accumulated sick leave amounted to \$258 million.

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

#### **Enterprise Funds**

The City maintains five enterprise funds consisting of the Public Transportation System (PTS), the Solid Waste Special Fund, the Sewer Fund and the Housing Development Special Fund, which are included in the proprietary fund type, and the Board of Water Supply, which is a discretely presented component unit.

Information describing these enterprise funds, including significant accounting policies, is described in Notes 8 and 12.

#### **Leases**

Leases (see Note 9) that transfer substantially all of the risks and benefits of ownership are accounted for as capital leases. Other leases are operating leases. Capital leases are included in fixed assets and, where appropriate, are amortized over the shorter of their estimated economic useful lives or lease terms. The related capital lease obligations are included in long-term debt. Operating leases are expensed (or expensed) when the related liability is incurred.

#### **Unbilled Receivables**

Included in the enterprise fund – discretely presented component unit and enterprise fund – proprietary fund type receivables at June 30, 2001, were unbilled water and sewer charges (due to the use of cycle billings) in the amounts of \$8.0 million and \$10.8 million, respectively.

#### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and other debits and liabilities and other credits, as well as disclosure of contingent assets and liabilities at the date of the combined financial statements, and the reported amounts of revenues, expenditures, and other financing sources and uses during the reporting period. Actual results could differ from those estimates.

#### **Total Columns On Combined Financial Statements**

Total columns on the combined financial statements are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position or results of operations in conformity with generally accepted accounting principles. Such data is not comparable to a consolidation, and interfund eliminations have not been made in the aggregation of this data.

#### **Financial Statement Presentation**

Certain amounts in the prior year's combined financial statements have been reclassified to conform to the current year's presentation. Such reclassifications had no effect on the City's previously reported results of operations, except for the adoption of GASB Statement No. 33. During fiscal 2001, the City adopted GASB Statement No. 33, "Accounting and Financial Reporting for Nonexchange Transactions," and Statement No. 36, "Recipient

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

Reporting for Certain Shared Nonexchange Revenues – an Amendment of GASB Statement No. 33.” These statements established accounting and financial reporting standards for nonexchange transactions involving financial or capital resources for governmental agencies. As a result of the adoption of GASB 33, contributed capital is included as a separate line item in the statement of revenues, expenses and retained earnings. Prior to the adoption of GASB 33, contributed capital was reported as equity transactions. The City restated prior year financial statements to retroactively apply GASB 33. The adoption of GASB 33 resulted in the combination of two equity accounts, contributed capital and retained earnings, and an increase in operating transfers.

Prior year information presented in the general purpose financial statements are summarized for comparative purposes and do not reflect the detailed information by fund in conformity with generally accepted accounting principles. For detailed fund classification, such information should be read in conjunction with the City's general purpose financial statements for the year ended June 30, 2000 from which the information was derived.

#### **Deficit Balances**

At June 30, 2001, the \$78.4 million retained deficit in the Solid Waste Special Fund results from deficits of H-POWER due to operating transfers to the general fund in previous years and due to operating losses. It is anticipated that the City will continue to provide significant operating subsidies to the H-POWER facility to finance operations.

At June 30, 2001, the \$471.5 million unreserved – undesignated fund deficit in the capital projects fund type results from encumbering the full amount of certain construction contracts to be financed by future bond sales and federal and state grant awards to be received in cash on a reimbursable basis.

#### **New Accounting Pronouncements**

In June 1999, the GASB issued Statement No. 34, “Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments,” that significantly changes the presentation of external financial statements for governmental entities. In the GASB's view, the objective of the new reporting model is to enhance the clarity and usefulness of these financial statements to the citizenry, oversight bodies, investors and creditors. The Statement will require that the basic financial statements and supplementary information for governments consist of management's discussion and analysis; basic financial statements, including a statement of net assets and a statement of activities, fund financial statements and notes to the financial statements; and supplementary information.

Statement No. 34 will also require the City to retroactively and prospectively report all capital assets, net of accumulated depreciation, including infrastructure assets (long-lived capital assets such as roads, sidewalks, etc.) in the statement of net assets and report depreciation expense in the statement of revenues, expenses, and changes in net assets. Retroactive reporting of capital assets will require a prior period adjustment to net assets.

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

In June 2001, the GASB issued Statement No. 37, "Basic Financial Statement – and Management's Discussion and Analysis – for State and Local Governments: Omnibus," and No. 38, "Certain Financial Statement Note Disclosures," to be implemented simultaneously with GASB 34. GASB 37 amends GASB 34, which includes management's discussion and analysis requirements, adoption of the modified approach for previously depreciated infrastructure assets and program revenue classifications. GASB 38 also modifies GASB 34 by establishing and modifying disclosure requirements related to the summary of significant accounting policies, actions taken to address violations of significant finance-related legal and contractual provisions, debt and lease obligations, short-term debt and disaggregation of receivable and payable balances.

Although these Statements are effective for fiscal year ending June 30, 2002, management has not yet determined the effect of these Statements to the City's general purpose financial statements.

## **2. Budgets and Budgetary Accounting**

On or before March 3, the Mayor submits to the City Council proposed operating and capital projects budgets for the periods commencing the following July 1. The budgets are on a basis consistent with GAAP except that encumbrances are treated as budgeted expenditures in the year the commitments are made. After public hearings, and prior to June 15, the budgets are legally enacted through passage of a budget ordinance by the City Council.

Formal budgetary integration is employed (i.e., annual operating budgets are legally adopted) for the general fund and special revenue funds (except the farmers home administration loan and revolving funds). Effective budgetary control for debt service, trust and agency, and revolving funds is achieved through bond indentures, contractual provisions and legislation. Formal budgetary integration is not employed for capital projects because effective budgetary control is achieved through contractual provisions and project oversight. Flexible budgeting (i.e., the relationship of costs to revenues) is employed for enterprise funds.

Appropriations lapse at the end of the fiscal year if not expended or encumbered, except that appropriations for capital projects lapse six months after the end of the fiscal year if not at least partially expended or encumbered. Certain federal and state grant funds are automatically appropriated when received.

The Mayor is authorized to transfer appropriations between activities within a department. To transfer appropriations between departments, the legal level of budgeting, amendments must be made to the enacted budget ordinance. Only the Mayor may propose amendments to the enacted budget ordinance. Amendments for items not included in the enacted budget ordinances may be proposed by the Mayor or the City Council.

# CITY AND COUNTY OF HONOLULU

## Notes to the General Purpose Financial Statements

The combined financial statements aggregate budgetary information at the functional level. The legal level of budgetary control (i.e., department level) is reported in the individual fund statements.

The budget figures presented include all amendments to the enacted budget ordinances. During the year, several supplementary appropriations were necessary. The overall effect of these supplementary appropriations on the budget was not significant.

### 3. Cash and Investments

The City maintains a cash and investment pool that is used by all funds including the component unit, except the workers' compensation trust fund, which is held separately by the independent plan administrator. Each fund type and the component unit's portion of this pool is displayed on the combined balance sheet.

#### Cash

The City's demand and time certificates of deposits, including those of its component unit, are categorized below to give an indication of the level of risk assumed at June 30, 2001. Category 1 includes bank balances, which are fully insured or collateralized with securities held by the City or its agent in the City's name. Category 2 includes bank balances that are collateralized with securities held by the pledging financial institution's trust department or agent in the City's name. Category 3 includes uninsured and uncollateralized cash.

Bank balances and deposits at June 30, 2001 were as follows (amounts in thousands):

	Category			Bank	Carrying
	1	2	3	Balances	Amount
Primary government	\$ 252	\$ -	\$ 785	\$ 1,037	\$ 2,814
Component unit	23,600	-	-	23,600	23,600
Total	<u>\$ 23,852</u>	<u>\$ -</u>	<u>\$ 785</u>	<u>\$ 24,637</u>	<u>\$ 26,414</u>

Approximately \$300,000 of total bank balances of deposits was covered by federal depository insurance.

The City reports cash with fiscal agents as City cash until the agents use the cash to pay the bond principal and interest amounts due. The fiscal agents typically pay the principal and interest amounts due within two days after receiving the cash from the City. At June 30, 2001, \$785,000 was classified as Category 3.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**Investments**

State statutes authorize the City to invest in obligations of the U.S. Treasury and U.S. agencies, obligations of other states, cities, and counties, mutual funds and bank repurchase agreements. Investments in repurchase agreements are primarily U.S. government or federal agency securities. To minimize credit risk, the City invests in U.S. government securities through the book entry systems of the two largest commercial banks in the State. Book entry securities are held in the banks' custodial (i.e., safekeeping) accounts at a Federal Reserve Bank.

The following tables present the City's investments at June 30, 2001 and provide information about the credit and market risks associated with the City's investments. Category 1 includes investments that are insured or registered, or securities held by the City or its agent in the City's name. Category 2 includes investments which are uninsured and unregistered, with securities held by the counterparty's trust department or agent in the City's name. Category 3 includes investments which are uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent but not in the City's name.

Investment balances at June 30, 2001 were as follows (amounts in thousands):

	Category			Reported Amount	Fair Value
	1	2	3		
<b>Primary Government:</b>					
Repurchase agreements	\$ 359,094	\$ -	\$ -	\$ 359,094	\$ 359,094
U.S. government securities	96,076	-	-	96,076	96,159
Total	<u>\$ 455,170</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 455,170</u>	<u>\$ 455,253</u>
<b>Component Unit:</b>					
Repurchase agreements	\$ 132,091	\$ -	\$ -	\$ 132,091	\$ 132,091
Mutual funds	6,041	-	-	6,041	6,041
U.S. government securities	978	-	-	978	978
Total	<u>\$ 139,110</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,110</u>	<u>\$ 139,110</u>

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**4. Fixed Assets**

The following is a summary of changes in the general fixed assets account group during the fiscal year (amounts in thousands):

	<u>Balance at July 1, 2000</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance at June 30, 2001</u>
Land	\$ 378,368	\$ 30,078	\$ 19,190	\$ 389,256
Buildings and other improvements	505,343	44,699	44,918	505,124
Equipment and machinery	219,127	112,075	99,642	231,560
Construction work in progress	<u>136,955</u>	<u>167,622</u>	<u>161,632</u>	<u>142,945</u>
Total	<u><u>\$ 1,239,793</u></u>	<u><u>\$ 354,474</u></u>	<u><u>\$ 325,382</u></u>	<u><u>\$ 1,268,885</u></u>

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**5. Interfund Balances**

The following is a summary of amounts due from and due to other funds at June 30, 2001 (amounts in thousands):

	<u>Due From Other Funds</u>	<u>Due to Other Funds</u>
<b>General Fund</b>	\$ -	\$ 300
<b>Special Revenue Funds:</b>		
Highway	12	-
<b>Debt Service Funds:</b>		
General obligation bond and interest redemption fund	9,300	-
Improvement district bond and interest redemption	-	129
<b>Capital Projects Funds:</b>		
General Improvement Bond Fund	-	8,298
Capital Projects	129	227
<b>Enterprise Funds:</b>		
Sewer Fund	5,198	-
Solid Waste Special Fund	3,627	37
<b>Trust and Agency Funds:</b>		
General Trust Fund	25	9,300
	<u>\$ 18,291</u>	<u>\$ 18,291</u>

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**6. Long-Term Debt**

The following is a summary of changes in the general long-term debt account groups and long-term debt included in the proprietary funds and the component units during the fiscal year (amounts in thousands):

	Balance at July 1, 2000	Additions	Reductions	Balance at June 30, 2001
<b>General Long-Term Debt</b>				
<b>Account Group:</b>				
General obligation bonds	\$ 987,147	\$ 150,000	\$ 43,363	\$ 1,093,784
Special assessment bonds with government commitment	2,485	-	370	2,115
Notes payable to federal government	3,861	-	161	3,700
Capital lease obligations (Note 9)	2,207	-	465	1,742
Installment purchase contracts	943	2,670	458	3,155
Accrued vacation pay	69,058	-	143	68,915
Claims and judgments (Note 10)	59,458	8,455	15,445	52,468
Early incentive retirement payable	-	10,965	1,070	9,895
<b>Total</b>	<u>\$ 1,125,159</u>	<u>\$ 172,090</u>	<u>\$ 61,475</u>	<u>\$ 1,235,774</u>
<b>Debt Service Fund:</b>				
General obligation bonds – Tax exempt commercial paper	<u>\$ -</u>	<u>\$ 9,300</u>	<u>\$ -</u>	<u>\$ 9,300</u>
<b>Proprietary Funds:</b>				
General obligation bonds	\$ 469,595	\$ -	\$ 28,161	\$ 441,434
Revenue bonds	319,453	-	-	319,453
Notes payable to state governments	67,999	4,904	4,074	68,829
Operating fee obligation (Note 8)	96,246	-	557	95,689
Estimated liability for landfill closure and postclosure care costs (see Note 11)	14,151	-	999	13,152
<b>Total</b>	<u>\$ 967,444</u>	<u>\$ 4,904</u>	<u>\$ 33,791</u>	<u>\$ 938,557</u>
<b>Discretely Presented Component Units:</b>				
General obligation bonds	\$ 36,050	\$ -	\$ 36,050	\$ -
Revenue bonds	16,820	66,600	16,820	66,600
<b>Total</b>	<u>\$ 52,870</u>	<u>\$ 66,600</u>	<u>\$ 52,870</u>	<u>\$ 66,600</u>

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

#### **General Obligation Bonds**

The City issues general obligation bonds for the construction of major capital facilities. General obligation bonds in the City's general long-term debt account group are direct obligations of the City for which its full faith and credit are pledged. Debt service is paid from the debt service funds. These bonds were issued during the fiscal years 1977 through 2001 in the original amount of \$1.7 billion, less a discount (\$2.3 million at June 30, 2001 which is being amortized over the related term of the bond), bears interest at 4.05% to 8.0%, and matures serially through fiscal year 2025. General obligation debt authorized but not yet issued amounted to \$430 million at June 30, 2001.

General obligation bonds in the City's enterprise funds, including the component unit, are expected to be paid from their respective fund revenues. These instruments are also direct obligations of the City for which its full faith and credit is pledged. Enterprise fund general obligation bonds were issued during the fiscal years 1977 through 2000 in the original amount of \$1.0 billion bear interest at 4.05% to 8.0%, and mature serially through fiscal year 2024.

In March 2001, the City issued general obligation bonds in the aggregate amount of \$150 million in two series: Series 2001A in the amount of \$141.5 million and Series 2001B in the amount of \$8.5 million. The bonds bear interest at 4.125% to 5.375% and mature annually on September 1, 2004 through 2024. The Series 2001A bonds are subject to redemption, at the option of the City, on or after September 1, 2011. The Series 2001B bonds are not subject to redemption prior to maturity. Proceeds from the bonds will be used to fund the cost of certain public improvements and capital equipment of the City.

General obligation tax-exempt commercial paper in a maximum aggregate principal amount not to exceed \$150 million outstanding at any time were authorized for issuance by the City, in accordance with Ordinance 01-28, during June 2001, to refinance long-term bonds. The \$9.3 million commercial paper bear interest at variable rates (2.45% to 2.60% at June 30, 2001) with varying maturities to a maximum of 270 days from the respective date of issue, but not later than June 16, 2006, and are not subject to redemption prior to maturity. In connection with the issuance, the City entered into an irrevocable letter of credit agreement in which the City may borrow up to \$150 million for payment of principal and up to \$13.3 million for payment of interest. There were no drawings on the letter of credit during 2001.

Subsequent to year end, the City issued tax-exempt commercial paper in the aggregate amount of \$50.1 million to refinance long-term bonds. The bonds bear interest at 2.10% to 2.60% and mature at various dates through December 26, 2001.

#### **Revenue Bonds**

Water system revenue bonds in the City's enterprise funds were issued during fiscal year 2001 in the original amount of \$66.6 million. Water system revenue bonds are subject to redemption on and after specified dates prior to maturity at the option of the Board at a price equal to 100% of the principal amount thereof, plus accrued interest. The bonds bear interest at 3.50% to 5.50% and mature serially through fiscal year 2032. Proceeds from the

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

bonds will be used to fund the cost of improvements to the water system owned by the City and to refund \$16.4 million of Series 1996 water system revenue bonds of the Board, maturing July 1, 2022. The revenue bonds are collateralized by the fund's revenues.

Wastewater system revenue bonds in the City's enterprise funds were issued in two series during fiscal year 1999, in the original aggregate amount of \$319 million. Both series are subject to redemption, at the option of the City, on or after July 1, 2009. The bonds bear interest at 4.0% to 5.25%, and mature at various dates through 2029. The revenue bonds are collateralized by the fund's revenues.

Annual debt service requirements to maturity for general obligation bonds and revenue bonds at June 30, 2001, including interest of \$1.2 billion, were as follows (amounts in thousands):

<b>Year Ending June 30:</b>	<b>General Long-Term Debt</b>	<b>Proprietary Funds</b>	<b>Component Unit</b>	<b>Total</b>
2002	\$ 94,315	\$ 72,333	\$ 2,115	\$ 168,763
2003	107,024	70,396	4,134	181,554
2004	116,060	72,783	4,407	193,250
2005	115,503	71,488	4,407	191,398
2006	111,046	70,813	4,401	186,260
2007 – 2011	509,189	292,909	22,003	824,101
2012 – 2016	355,937	202,528	21,935	580,400
2017 – 2021	224,552	185,603	21,870	432,025
2022 – 2026	62,798	141,334	21,779	225,911
2027 – 2032	-	79,449	25,998	105,447
<b>Total</b>	<b>\$ 1,696,424</b>	<b>\$ 1,259,636</b>	<b>\$ 133,049</b>	<b>\$ 3,089,109</b>

General obligation bonds are generally subject to redemption by the City for a premium.

Total interest costs incurred by enterprise funds, including the component unit, for the fiscal year ended June 30, 2001 was \$58.1 million, of which \$8 million was capitalized.

**Other Long-Term Debt**

In December 1994, the City issued \$4.4 million of special assessment refunding bonds, which bear interest at variable rates (6.3% to 6.9% at June 30, 2001) and require annual principal and interest payments through fiscal year 2007. These bonds are collateralized by liens on the properties the assessments are levied against and are term bonds subject to prior redemption based on the availability of funds. They are reported "with government commitment" in the City's general long-term debt account group because, should collections of special assessments be insufficient, the City is authorized to use funds in the improvement district revolving fund to make principal and interest payments. These bonds amounted to \$2.1 million at June 30, 2001.

# CITY AND COUNTY OF HONOLULU

## Notes to the General Purpose Financial Statements

The note payable to federal government is for the City's share of costs for a federal project to develop recreational facilities and fish and wildlife resources at the Kaneohe Reservoir. The note bears interest at 5.1% and requires annual principal and interest payments through fiscal year 2016. The note amounted to \$3.7 million at June 30, 2001.

The notes payable to state government are for the construction of necessary treatment works and for other projects intended for wastewater reclamation or waste management. The notes amounted to \$69 million at June 30, 2001, bear interest at 2.1% to 3.0%, and require annual principal and interest payments through fiscal year 2019.

The City has lease purchase contracts for certain equipment, which are accounted for as capital leases (see Note 9).

The City also utilizes installment purchase contracts to finance purchases of equipment. The equipment is recorded in the general fixed assets account group and the related obligation is recorded at present value in the general long-term debt account group.

Annual debt service requirements to maturity for the City's general long-term debt account group and proprietary funds for other long-term debt at June 30, 2001, including interest of \$22.3 million, were as follows (amounts in thousands):

Year Ending June 30:	Special Assessment Bonds	Notes, Leases, and Contracts	Total
2002	\$ 499	\$ 8,540	\$ 9,039
2003	475	8,004	8,479
2004	446	7,972	8,418
2005	421	7,679	8,100
2006	387	6,732	7,119
2007 – 2011	300	33,431	33,731
2012 – 2016	-	22,977	22,977
2017 – 2021	-	3,998	3,998
Total	<u>\$ 2,528</u>	<u>\$ 99,333</u>	<u>\$ 101,861</u>

Vested and accumulated vacation benefits are recorded in the general long-term debt account group, until liquidated, for all funds except enterprise funds, including the component unit. The City's claims and judgments liability at June 30, 2001 (see Note 10) was estimated based on a case-by-case analysis and from actuary studies.

### Refunded Bonds

The City defeased certain general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the assets of the irrevocable trust and the liability for the defeased bonds are not included in the City's general purpose financial statement. At June 30, 2001, \$695.7 million of bonds outstanding were considered defeased.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**7. Employee Benefit Plans**

**Defined Benefit Pension Plans**

**Plan Description** – All full-time employees of the City are eligible to participate in the Employees' Retirement System of the State of Hawaii (ERS), a cost-sharing multiple-employer defined benefit pension plan. The ERS was established by Chapter 88 of the Hawaii Revised Statutes (HRS) and is governed by a Board of Trustees. All contributions, benefits and eligibility requirements are established by Chapter 88, HRS, and can be amended by legislative action.

The ERS is composed of a contributory retirement plan and a noncontributory retirement plan. Prior to June 30, 1984, the plan consisted of only a contributory option. In 1984, legislation was enacted to create a new noncontributory option for members of the ERS who are also covered under social security. Persons employed in positions not covered by social security are precluded from the noncontributory option. The noncontributory option provides for reduced benefits and covers most eligible employees hired after June 30, 1984. Employees hired before that date were allowed to continue under the contributory option or to elect the new noncontributory option and receive a refund of employee contributions. Both plans provide death and disability benefits and cost-of-living increases. In the contributory plan, employees may elect normal retirement at age 55 with 5 or 10 years of credited service or elect early retirement at any age with 25 years of credited service. Such employees are entitled to retirement benefits, payable monthly for life, of 2% or 2.5% of their average final salary, as defined for each year of credited service with certain limitations. Benefits fully vest on reaching 5 years of service; retirement benefits are reduced for early retirement. In the noncontributory plan, employees may elect normal retirement at age 62 with 10 years of credited service or at age 55 with 30 years of credited service, or elect early retirement at age 55 with 20 years of credited service. Such employees are entitled to retirement benefits, payable monthly for life, of 1.25% of their average final salary, as defined, for each year of credited service. Benefits fully vest on reaching 10 years of service; retirement benefits are reduced for early retirement.

The ERS issues a Comprehensive Annual Financial Report that may be obtained by writing to the Employees' Retirement System of the State of Hawaii, 201 Merchant Street, Suite 1400, Honolulu, Hawaii 96813.

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

**Funding Policy** – All funding requirements are established by Chapter 88, HRS, and can be amended by the State legislature. Covered contributory plan employees are required to contribute 7.8% or 12.2% of their salary to the plan; the City is required to contribute the remaining amounts necessary to pay contributory plan benefits when due. The City is also required to contribute all amounts necessary to pay noncontributory benefits when due. The City's contribution requirements are actuarially determined based on actuarial assumptions established by Chapter 88, HRS. Act 100 of the 1999 State Legislative Session authorizes the use of actuarial investment earnings in excess of a ten percent actuarial investment yield rate to reduce the City's contribution requirements. The City's contributions to the ERS, inclusive of its component unit, for the fiscal years ended June 30, 1999, 2000 and 2001 were \$33.6 million, \$10.3 million, and \$1.1 million, respectively, which were equal to the required contributions for each year.

#### **Post-Retirement Health Care and Life Insurance Benefits**

In addition to providing pension benefits, the State of Hawaii Public Employees Health Fund provides certain health care (medical, prescription, vision and dental) and life insurance benefits for retired City employees. Contributions are based on negotiated collective bargaining agreements and are limited by State statute to the actual cost of benefit coverage. Prior to July 1, 1996, the City pays for 100% of these benefits for employees who have at least 10 years of service. According to Act 217, SLH 1995, employees hired after June 30, 1996 with 25 years or more of service receive 100% employer funding. The City's share of the cost of these benefits is prorated for employees with less than 25 years of service. The City also reimburses 100% of Medicare expenses for retirees and qualified dependents (through the State) who are at least 65 years of age and have at least 10 years of service. Currently, approximately 9,036 retirees and qualified dependents are receiving post retirement health care and benefits paid for by the City. The City's contributions for post retirement benefits, which are funded as accrued, amounted to \$29.0 million for the fiscal year ended June 30, 2001.

#### **Early Retirement Incentive**

Act 212 of the 1994 regular session of the State legislature authorized an early retirement incentive to state and county employees with at least 25 years of service as of December 31, 1994. Qualifying employees received two additional years of service credits for purposes of calculating their retirement benefits. 571 City employees received early retirement benefits, which cost the City \$7.5 million in payouts for accrued vacation during fiscal 1995.

Act 216 of the 2000 State Legislative Session lowered the employer contributions to ERS by extending the payment schedule for the actuarial present value cost of the early retirement incentive bonus from 5 to 19 years effective for the year end 1999. The City's annual payments amount to \$1,070,400 per year. Based on the per-employee analysis of additional retirement contributions calculated by the ERS, the additional retirement contribution, including interest, to be paid by the City for the early retirees is \$20.3 million. At June 30, 2001, the remaining balance was \$9.9 million.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**8. Enterprise Funds**

The City maintains five enterprise funds: the Public Transportation System, the Solid Waste Special Fund, the Sewer Fund and the Housing Development Special Fund, which are included in the proprietary fund type, and the Board of Water Supply, which is a discretely presented component unit.

**Segment Information**

Segment information of the enterprise funds included in the proprietary fund type as of and for the fiscal year ended June 30, 2001 were as follows (amounts in thousands):

	Public Transportation System	Solid Waste Special Fund	Sewer Fund	Housing Development Special Fund	Total
Operating revenues	\$ 28,294	\$ 85,029	\$ 113,041	\$ 9,870	\$ 236,234
Operating expenses:					
Depreciation	14,587	16,149	22,025	3,584	56,345
Other	125,697	80,296	66,973	15,661	288,627
Operating income (loss)	(111,990)	(11,416)	24,043	(9,375)	(108,738)
Net non-operating revenues (expenses)	628	(13,707)	(10,562)	(256)	(23,897)
Operating transfers in, net	62,835	9,810	(6,120)	149	66,674
Capital Contributions	54,321	737	4,731	(2,685)	57,104
Net income (loss)	\$ 5,794	\$ (14,576)	\$ 12,092	\$ (12,167)	\$ (8,857)
Current assets	\$ 14,755	\$ 115,467	\$ 133,519	\$ 34,317	\$ 298,058
Current liabilities	12,932	33,853	34,208	7,865	88,858
Net working capital	\$ 1,823	\$ 81,614	\$ 99,311	\$ 26,452	\$ 209,200
Restricted assets	\$ 3,932	\$ -	\$ -	\$ 4,356	\$ 8,288
Total assets	\$ 126,564	\$ 276,577	\$ 1,112,776	\$ 157,729	\$ 1,673,646
Liabilities:					
General obligation bonds and notes payable	\$ -	\$ 225,896	\$ 475,638	\$ 128,182	\$ 829,716
Other liabilities	15,616	129,135	24,689	14,230	183,670
Total liabilities	\$ 15,616	\$ 355,031	\$ 500,327	\$ 142,412	\$ 1,013,386

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

	Public Transportation System	Solid Waste Special Fund	Sewer Fund	Housing Development Special Fund	Total
Retained earnings (deficit):					
Reserved for debt service	\$ -	\$ -	\$ 39,562	\$ -	\$ 39,562
Unreserved	<u>110,948</u>	<u>(78,454)</u>	<u>572,887</u>	<u>15,317</u>	<u>620,698</u>
Total retained earnings (deficit)	<u>\$ 110,948</u>	<u>\$ (78,454)</u>	<u>\$ 612,449</u>	<u>\$ 15,317</u>	<u>\$ 660,260</u>
Property, plant and equipment:					
Additions	\$ 32,821	\$ 2,837	\$ 25,744	\$ 4,938	\$ 66,340
Reductions	<u>6,118</u>	<u>331</u>	<u>58</u>	<u>11,856</u>	<u>18,363</u>
	<u>\$ 26,703</u>	<u>\$ 2,506</u>	<u>\$ 25,686</u>	<u>\$ (6,918)</u>	<u>\$ 47,977</u>

Segment information of the Board of Water Supply, an enterprise fund reported as a discretely presented component unit, as of and for the fiscal year ended June 30, 2001 was as follows (amounts in thousands):

Operating revenues	\$ 103,109
Operating expenses:	
Depreciation	26,537
Other	<u>66,469</u>
Operating income	10,103
Net non-operating revenues	8,879
Capital contributions	<u>20,995</u>
Net income	<u>\$ 39,977</u>
Current assets	\$ 80,685
Current liabilities	<u>21,505</u>
Net working capital	<u>\$ 59,180</u>
Property, plant and equipment, net	<u>\$ 860,101</u>
Restricted assets	<u>\$ 103,732</u>

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

Total assets	<u>\$ 1,047,161</u>
Liabilities:	
Revenue bonds payable	\$ 66,600
Other liabilities	<u>72,557</u>
Total liabilities	<u>\$ 139,157</u>
Retained earnings	<u>\$ 908,004</u>
Property, plant and equipment:	
Additions	\$ 237,566
Reductions	<u>73,834</u>
	<u>\$ 163,732</u>

**Public Transportation System**

The Department of Transportation Services oversees the administration and operation of the Public Transportation System (the City's bus and paratransit systems) on the island of Oahu, which is accounted for as an enterprise fund.

The City has an agreement with Oahu Transit Services, Inc. (OTS), which expires on June 30, 2002, to provide for the management of the City's bus and paratransit systems. OTS provides the employees to operate and manage the bus and paratransit systems. The City reimburses OTS for all operating expenses incurred for salaries and wages, employee benefits, professional and consulting fees, materials, supplies and services, and all other operating expenses attributable to the bus and paratransit systems.

In addition, the agreement requires the City to pay OTS an annual management fee of \$365,000 through June 30, 2002. Such amount is subject to annual increases upon approval of the Department of Transportation Services and the availability of appropriations by the City Council.

The agreement provides that the City furnish, but retain title to, the transit buses, paratransit buses, properties, facilities and equipment used in the systems. Revenues collected by OTS, excluding management fees, are the property of the City and are remitted to a depository controlled by the City.

**Restricted Assets** – OTS established trust funds for the purpose of maintaining adequate funds for expenses incurred through its workers' compensation, general, and auto liability self-insurance programs. Pursuant to the trust agreements, the Trustee is required to invest the funds in either interest-bearing bonds, notes, or obligations of the United States or in certificates of deposit of institutions that are federally insured. All income realized from the investments reverts to the trust fund. Upon termination of the trust fund, all assets of the trust fund will be distributed to the City subject to certain limitations as described in the trust

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

agreement. Payments for self-insured workers' compensation and general and auto liability claims are made from the trust fund subject to certain limitations as described in the trust agreement. At June 30, 2001, the restricted assets held by OTS consisted of the following (amounts in thousands):

	<u>Cost</u>	<u>Fair Value</u>
Pooled/mutual funds	\$ 2,816	\$ 2,823
Money market fund	561	561
Cash	<u>548</u>	<u>548</u>
Total	<u>\$ 3,925</u>	<u>\$ 3,932</u>

The U.S. government obligations, money market fund and cash were either insured or registered in the trust's name at June 30, 2001.

**Reserve for Insurance Claims Payable** – The City sponsors an automotive and general liability self-insurance program for OTS. The self-insurance program is for claims up to \$500,000. Effective July 1, 2001, the self-insurance limits increased to \$1 million. The City also implemented a workers' compensation self-insurance program, which covers OTS claims up to \$300,000 per occurrence for policy periods through June 30, 1995 and \$250,000 per occurrence for policy periods after July 1, 1995. OTS has obtained excess insurance coverage for general liability, automotive claims and workers' compensation through various insurance companies for amounts in excess of claims covered under the two self-insurance programs.

Effective March 31, 2000, OTS entered into a loss portfolio transfer with American International Group (AIG) whereby AIG assumed the liability for future payments on accidents occurring prior to March 1, 1998 for workers' compensation and accidents occurring prior to January 1, 2000 for automotive and general liability. Effective April 24, 2000, Oahu Transit Services Insurance Group (OTSIG), a wholly owned subsidiary of OTS, was incorporated to operate as a nonprofit captive insurance company. Accordingly, the financial statements of OTSIG are included in the bus operations of OTS and the Public Transportation System. OTSIG was primarily organized to facilitate the loss portfolio transfer to AIG. OTSIG transferred the claims, which had a carrying value of approximately \$8.8 million to a third party reinsurer for a premium of \$10 million with a \$15 million aggregate limitation. It is believed that the reinsurance policy is adequate to cover all costs associated with the ultimate settlement of these claims. Accordingly, no provision for any liability that may result from the resolution of these claims has been made in the financial statements of OTS and the Public Transportation System.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

The amounts payable for claims incurred and claims incurred but not reported at June 30, 2001 are as follows (amounts in thousands):

Automotive and general liability insurance	\$ 2,134
Workers' compensation insurance	<u>5,640</u>
Reserve for insurance claims payable	<u><u>\$ 7,774</u></u>

**Vacation and Sick Leave** – OTS accrues a liability for compensated absences (vacation and sick leave) as employees earn the rights to those benefits. An accrual is made for services that are already rendered and that are not contingent on a specific event outside the control of the employer and employee.

Certain OTS employees may elect to redeem a portion of their unused annual sick leave allowance. Employees who retire and meet certain eligibility requirements may be entitled to a lump sum payment for accumulated sick leave. OTS records a sick leave liability to the extent it is probable that benefits will result in annual and/or termination payments.

**Employee Benefit Plans** – OTS has a multi-employer noncontributory defined benefit pension plan for its bargaining unit employees and a single-employer noncontributory defined benefit pension plan which provides eligible non-bargaining unit employees with retirement and disability benefits for past and future services. Pension expense under the multi-employer plan was \$4.9 million for the year ended June 30, 2001. Pension expense for the single-employer plan was \$127,197 for the year ended June 30, 2001. OTS also provides its bargaining and non-bargaining unit employees with postretirement health benefits.

**Solid Waste Special Fund**

The Solid Waste Special Fund accounts for the following activities related to the operations of the refuse division:

- the City's refuse collection and disposal operations, which are funded primarily through general fund subsidies.
- the recycling program revenues assessed as 4% of refuse disposal charges and which shall be expended for the establishment, operation, management and expansion of the City's recycling programs, including programs for waste reduction, development of recycling markets and recycling awareness.
- the glass incentive program revenues derived for the recycling of glass containers and paying incentives to glass recyclers.
- operation of the solid waste disposal and energy and materials recovery project (H-POWER Facility).

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**H-POWER Facility**

The City has agreements with Honolulu Resource Recovery Venture (HRRV) to operate a solid waste disposal and energy recovery project, the Honolulu Program of Waste Energy Recovery (the "H-POWER Facility"). The H-POWER Facility processes and disposes of solid waste and, together with combustion facilities, produces steam used for the generation of electricity. Revenues are generated from user tip fees and from the sale of energy products and recovered materials. The operating agreement with HRRV has a 20-year term, and the H-POWER Facility's revenues and expenses are reported in the accompanying combined financial statements. The operating agreements also require a supplemental operating fee to be paid by the City equivalent to the ground lease payments. The H-POWER Facility commenced commercial operations on May 21, 1990, and the City has a 20-year contract to sell electricity generated to a utility company.

In November 1989, the City sold the H-POWER Facility for \$312.5 million, receiving an \$80 million cash payment and a 20-year note for \$232.5 million with interest at 8.04%. On the same date, HRRV entered into a 20-year lease for the H-POWER Facility with the new owner. Although the City is not a party to this lease agreement, the operating fee to be paid by the City to HRRV was increased by an amount equal to the lease payments. Accordingly, the H-POWER Facility has been recorded as an asset and a liability in the H-POWER Facility enterprise fund at an amount equal to the present value of this increase in the operating fee for the lease payments.

In November 1989, the City leased the land underlying the H-POWER Facility to the owner of the H-POWER Facility for 35 years.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

The note receivable and the obligation for the increase in the operating fee for the H-POWER facility lease payments (\$139.3 million and \$235.0 million at June 30, 2001, respectively) have been offset for financial statement reporting purposes. At June 30, 2001, future payments are as follows (amounts in thousands):

	<u>Operating Fee Obligation</u>	<u>Note Receivable</u>	<u>Difference</u>
<b>Year Ending June 30:</b>			
2002	\$ 30,613	\$ 24,307	\$ 6,306
2003	30,613	23,926	6,687
2004	30,613	23,321	7,292
2005	30,613	22,894	7,719
2006	30,613	24,294	6,319
Thereafter	<u>184,953</u>	<u>77,633</u>	<u>107,320</u>
Subtotal	338,018	196,375	141,643
Less amount representing interest	<u>103,022</u>	<u>57,068</u>	<u>45,954</u>
Total	<u>\$ 234,996</u>	<u>\$ 139,307</u>	<u>\$ 95,689</u>

At June 30, 2001, the City had \$158.7 million of general obligation bonds outstanding, which were used to finance the construction of the H-POWER Facility.

**Sewer Fund**

The Sewer Fund was created to account for the operations of the City's wastewater system and is operated primarily through user charges. The Sewer Fund also accounts for the proceeds of revenue bonds issued to pay all or part of those appropriations for improvements, repairs, and maintenance of the wastewater treatment system.

**Housing Development Special Fund**

The Housing Development Special Fund was created to develop affordable housing for sale or for rental by the City. At June 30, 2001, the City had \$128.2 million of general obligation bonds outstanding, which were used to finance the development of various residential lots and recreational facilities. Sales of real estate and related profits or losses are generally recognized in the period in which the sales price is collected and risks of ownership have passed to the buyer.

During the fiscal year ended June 30, 2001, the City evaluated the recoverability of its dwelling units and lots and determined that estimated future cash flows were below the carrying value of the dwelling units and lots. Accordingly, the City adjusted the carrying value of the dwelling units and lots to their estimated net realizable value by recording a provision for losses on dwelling units and lots of \$6.0 million.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**9. Commitments**

**Leases**

The City leases equipment and office space under capital and operating leases, which expire at various dates through 2055. At June 30, 2001, the cost of equipment recorded under capital lease arrangements and included in the general fixed assets account group amounted to \$5.9 million.

Future minimum obligations under capital and operating leases at June 30, 2001 were as follows (amounts in thousands):

	<u>Capital Leases</u>	<u>Operating Leases</u>
<b>Year Ending June 30:</b>		
2002	\$ 625	\$ 1,920
2003	625	1,362
2004	625	1,180
2005	104	1,099
2006	-	1,012
Thereafter	-	3,186
	<hr/>	<hr/>
Total minimum payments	1,979	<u>\$ 9,759</u>
Less amount representing interest	<hr/> 237	
Present value of future minimum capital lease payments	<hr/> <u>\$ 1,742</u>	

Certain leases provide for payment of common area charges and for periodic renegotiation of rents. Rent expense under operating leases, principally recorded in the general fund, amounted to \$4.2 million for the fiscal year ended June 30, 2001.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

The City leases to others concession rights and real property under operating leases, which expire at various dates through 2031. Certain leases provide for periodic renegotiation of rents. Future minimum rental income under such leases at June 30, 2001 were as follows (amounts in thousands):

<b>Year Ending June 30:</b>	
2002	\$ 7,228
2003	6,727
2004	6,448
2005	6,101
2006	5,872
Thereafter	<u>86,820</u>
Total minimum rental income	<u><u>\$ 119,196</u></u>

**Other Commitments**

Enterprise funds, which do not employ encumbrance accounting, have contractual commitments of approximately \$236 million at June 30, 2001, primarily for construction contracts, which includes the Board's commitments of \$156 million. Other contractual commitments for the expenditure of City monies are encumbered in the general, special revenue and capital projects funds.

**Litigation**

OTS and the City are involved in various lawsuits arising from the normal operations of the City bus and paratransit systems. Claims for punitive damages related to certain lawsuits may not be covered by insurance.

**10. Contingent Liabilities**

Numerous claims have been filed against the City. The City's Corporation Counsel reported that claims against the City were for personal injury, property and other damages. These cases are set for pretrial conferences, awaiting actions from plaintiffs, being investigated, ready for trial calendar, or on appeal.

The City is substantially self-insured for workers' compensation claims, general liability claims up to \$1 million, except for public official's liability insured up to \$100,000, and automobile claims up to \$1 million, with certain exceptions. The City purchases excess liability insurance through insurance companies for claims in excess of self-insured amounts as well as when required by contract or law. Settled claims have not exceeded these coverages in any of the past three fiscal years.

The estimated total liability of the City of \$52.5 million, with respect to claims and judgments, including claims incurred but not reported by the claimant and settled claims for which funds have not yet been appropriated, is included in the general long-term debt account group. The estimated total liability has been determined through case-by-case

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

analysis and from actuary studies performed by independent third parties. Expenditures for claims and judgments are appropriated annually.

The City recognizes losses on claims and judgments that are probable, that can be reasonably estimated, and that are payable with expendable available financial resources in a governmental fund using the modified accrual basis of accounting. The remaining accrued liabilities are reported in the general long-term debt account group as the liabilities are expected to be paid out of amounts to be provided in future periods. The basis for estimating the liabilities for unpaid claims includes the effects of specific incremental claim adjustment expenses, salvage, and subrogation, and other allocated or unallocated claim adjustment expenses. These liabilities include an amount for claims that have been incurred but not reported. In the opinion of management, the City has adequately reserved for such claims.

The City is subject to a number of claims arising from the City's designation and downzoning of several parcels of property in East Honolulu to prevent shoreline development. The City conducted settlement discussions with the landowners, including a settlement proposal in which the landowners would drop their claims in return for development approvals. However, due to strong opposition, settlement discussions ceased and the matters have resumed in court. The City estimates that the possible loss will be approximately \$30 to \$50 million based on the value of the property. Should the damages be assessed based on the lost profits had the plaintiff been able to develop the property, the total liability could exceed \$100 million.

While the ultimate liability for the matter described in the previous paragraph cannot be determined, it is the City's belief that this claim is not likely to have a material adverse effect on the City's financial position. Accordingly, no provisions for any liabilities that might result from the resolution of these claims have been made in the accompanying combined financial statements.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

The following is a summary of changes in the claims and judgments liability account during the fiscal year (amounts in thousands):

	<u>Automobile and General Liability</u>	<u>Workers' Compensation</u>	<u>Total</u>
<b>Balance at July 1, 1999</b>	\$ 21,983	\$ 30,539	\$ 52,522
Incurred losses and loss adjustment expenses	7,486	16,901	24,387
Payments	<u>(6,489)</u>	<u>(10,962)</u>	<u>(17,451)</u>
<b>Balance at June 30, 2000</b>	22,980	36,478	59,458
Incurred losses and loss adjustment expenses	2,396	6,059	8,455
Payments	<u>(4,089)</u>	<u>(11,356)</u>	<u>(15,445)</u>
<b>Balance at June 30, 2001</b>	<u>\$ 21,287</u>	<u>\$ 31,181</u>	<u>\$ 52,468</u>

**11. Environmental Issues**

**Solid Waste Landfill Costs**

GASB Statement No. 18, "Accounting for Municipal Solid Waste Landfill Closure and Postclosure Care Costs," which is based on the October 9, 1991 United States Environmental Protection Agency (EPA) rule, "Solid Waste Disposal Facility Criteria," establishes closure requirements for all municipal solid waste landfills that receive waste after October 9, 1991. The EPA rule also establishes thirty-year postclosure care requirements for those landfills that accept solid waste after October 9, 1993 or for those landfills that stopped accepting solid waste between October 9, 1991 and October 9, 1993 and have not met certain requirements established by the EPA rule. In accordance with GASB Statement No. 18, the City estimates in advance the total cost of closure and postclosure care during the life of those landfills rather than after their closings. The City is funding the liability on a "pay-as-you-go" basis and has reported the liability in the Solid Waste Special Fund as the liability is expected to be paid out of amounts to be provided in future periods.

Federal and state laws and regulations require the City to place final covers on certain landfill sites when they stop accepting waste and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Annual additions to the liability for closure and postclosure care costs are based on landfill capacity used as of each balance sheet date. The \$13.2 million reported as the liability in the Solid Waste Special Fund for closure and postclosure care costs at June 30, 2001 represents the cumulative amount reported to date based on the percentage of the estimated capacity used for the

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

following landfills (amounts in thousands). Actual costs may differ from estimates if additional postclosure care requirements are determined (due to inflation or deflation, changes in technology, or changes in applicable laws or regulations).

	<u>Capacity Used</u>	<u>Closure Date</u>	<u>Liability at June 30, 2001</u>	<u>Total Estimated Cost</u>
Waipahu incinerator landfill	100.0%	October 1991	\$ 9,272	\$ 9,600
Kapaa sanitary landfill	100.0%	May 1997	3,880	12,797
Total			<u>\$ 13,152</u>	<u>\$ 22,397</u>

For fiscal year 2001, the City has provided the financial resources that will be available to provide for closure, postclosure care and remediation or containment of environmental hazards at the above landfills. The EPA has proposed amendments to the existing financial assurance rules. The proposed amendments added a local government financial test consisting of a financial component, a public notice component, and a recordkeeping and reporting component. Local governments are required to satisfy each of the three components to pass the annual test. Management believes that the City has satisfied each of the components of the local government financial assurance requirements.

**Clean Water Act**

In 1991, the EPA filed an administrative action against the City alleging violations of the Clean Water Act and conditions and limitations of the National Pollutant Discharge Elimination System Permits by failing to develop and administer pretreatment programs for all of its treatment plants and for unauthorized discharges from the collection system. As a result of a settlement reached between the EPA and the City, a consent decree has been filed which requires certain compliance actions and penalties of \$1.2 million, which were paid in fiscal year 1995. The City has implemented certain compliance actions such as developing rehabilitation and maintenance of the collection system and implementation of the plans. The City has committed to spend at least \$20 million for effluent reuse.

The City has committed to spend at least \$10 million for sludge reuse. Sludge reuse is being accomplished through the U.S. Navy Biosolids Treatment Facility. The cost to the City is \$82 per wet ton of sludge delivered to the facility; currently, the City is delivering an average of 7.2 dry tons (20.1 wet tons) a day. The consent decree cites potential stipulated penalties of \$2,000 per day per violation for failure to comply.

The State and certain environmental groups (nonprofit organizations) also filed actions against the City for declaratory judgment, injunctive relief and civil penalties for violations of the Clean Water Act for the Honouliuli, Kailua and Kaneohe wastewater treatment plants for failing to meet the secondary treatment requirements and for operating the Wahiawa wastewater treatment plan without a permit.

## **CITY AND COUNTY OF HONOLULU**

### **Notes to the General Purpose Financial Statements**

**Honouliuli** – The City was cited for numerous bypass events from the Honouliuli plant in December 1989. Effluent limits are being met and the City is operating under an administrative extension of the old permit. The Environmental Services Department is working with the State Department of Health and has closed out the Consent Order as of February 1999.

The City was cited and fined \$174,000 for exceeding the limit on the ground water use permit at the Honouliuli plant in June 1997. On May 20, 1998, the State Commission on Water Resource Management withdrew its notice of violation without prejudice, subject to the City providing quarterly reports, which indicate the progress made on the effluent reuse project. If the reports are not submitted, the fine may be reinstated by the State.

**Kailua and Kaneohe** – As a result of a settlement reached between the parties, a consent decree has been filed for the Kailua and Kaneohe plants, which requires certain compliance actions such as developing a facilities plan, constructing a feasible ultraviolet disinfection facility and establishing and supporting an advisory council. The conceptual facilities plan and the environmental impact statement preparation notice were completed in September 1998. The design phase of the ultraviolet disinfection project was completed in October 1998. Responses to public comments were completed in June 1999. The City contracted a construction company to complete the construction phase for approximately \$2.33 million, which was completed in November 2000. Approximately \$2.28 million has been paid as of June 30, 2001 related to these compliance actions. The Kailua Bay Advisory Council was established in October 1995. The City established a \$2.1 million trust fund; hired a program administrator and a third party to provide watershed mapping services; awarded grant projects to four community groups; developed short-term implementation plans for erosion control initiatives, stream bank restoration and refuse control; and developed a web site for the Kailua Bay Advisory Council to disseminate information to the public.

The consent decree cites total costs of at least \$7.4 million for capital improvements, consulting and other fees. The consent decree cites stipulated penalties of \$500 per day per violation for failure to meet the specified obligations and deadlines. The City has not been assessed any penalties, as the specified obligations and deadlines were met during 1999. The Kaneohe treatment facility has been converted into a temporary treatment facility.

**Wahiawa** – A civil action was filed by the State for operating the Wahiawa plant without a permit. Settlement with the State was reached and a consent decree was approved on February 27, 1998. The consent decree requires the City to upgrade the existing treatment plant to produce water suitable for reuse and adjust the outfall. The consent decree cites stipulated damages of \$600,000 plus \$1,000 – \$5,000 per day if the upgrades were not completed by February 27, 2001. The City obtained an extension for the completion of the construction until June 15, 2001.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

On June 6, 2001, the City completed construction of the reclamation system, which amounted to \$9.2 million. The City accepted the facilities related to the consent decree in July 2001. A motion to terminate the consent decree has not yet been filed by the State or City.

**Whitmore Village** – The State issued a notice of violation and order for exceeding biological oxygen demand and total suspended solid limits at various times from May to December 1992. The case is pending review and a ruling has not been made. The State may impose penalties not to exceed \$10,000 per day per violation. Potential fines could approximate \$1.5 million. The City has terminated the treatment and disposal of wastewater at this facility in March 1994.

**Kahuku** – The State issued a notice of apparent violation resulting from discharge of chlorinated secondary filtered effluent from an effluent pipe break at the Kahuku Wastewater Treatment Plant onto private property. The City has not been assessed any penalties, however, corrective action construction costs totaled \$350,000.

In the opinion of management, the final outcome of the order and complaints as described above are unknown at this time but should not have a material adverse effect on the City's combined financial statements.

**12. Component Unit Disclosure**

**Board of Water Supply**

The Board is a semi-autonomous agency of the City, which has full and complete authority to manage, control and operate the City's water system and related properties.

**Restricted Assets** – At June 30, 2001, restricted assets consisting of cash, bank repurchase agreements, other receivables and interest receivable were held for payment of the following (amounts in thousands):

Construction	\$ 101,300
Renewals and replacements	2,002
Bond interest and redemption	<u>430</u>
Total	<u><u>\$ 103,732</u></u>

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**Property, Plant and Equipment** – The following is a summary of the changes in property, plant and equipment during the fiscal year ended June 30, 2001 (amounts in thousands):

	Balance at July 1, 2000	Additions	Reductions	Balance at June 30, 2001
Utility plant in service	\$ 1,009,315	\$ 130,577	\$ 2,675	\$ 1,137,217
Construction work in progress	71,338	106,989	71,159	107,168
	1,080,653	237,566	73,834	1,244,385
Less accumulated depreciation	(361,176)	(27,601)	(4,492)	(384,285)
Property, plant and equipment, net	<u>\$ 719,477</u>	<u>\$ 209,965</u>	<u>\$ 69,342</u>	<u>\$ 860,100</u>

**Other Legal Matters** – The Board is party to various legal proceedings arising in the normal course of business. The outcome of individual matters is not predictable. However, management believes that the ultimate resolution of all such matters, after considering insurance coverages, will not have a material adverse effect on the Board's financial position or results of operations.

**Honouliuli Reclamation Facility** – In July 2000, the Board entered into a Water Reclamation Facility Sale Agreement and Assignment of Water Reclamation Facility Agreement (the Sale Agreement) with a third-party contractor and the City for the purchase of a water reclamation plant. The total cost of the acquisition is estimated at \$51.6 million, including the initial purchase price of \$48.1 million for the plant and \$3.5 million for certain components of the distribution system. Of the initial purchase price, \$44 million was paid as of June 30, 2001 and the remaining balance of \$4.1 million is to be paid when the facility meets certain performance standards specified in the Sale Agreement and is included in contracts payable from restricted assets at June 30, 2001.

In conjunction with the acquisition, the Board also executed a 20-year service contract with the same third-party contractor to provide design, engineering, operations and maintenance services for the facility. The Board is planning to provide for separate financing of the acquisition through a tax-free bond offering in fiscal 2002.

The Board acquired the facility for the opportunities that management believes exist for the sale of reclaimed water as well as the benefits related to the conservation of the fresh water supply. The Board has capitalized all costs incurred to place the facility into service. Realization of this asset is dependent upon management's ability to execute its marketing plans and to generate revenues at least to the extent of operating costs and depreciation. The total cost of the facility and its distribution system is considered realizable. However, the carrying value could be reduced in the near term if either rate or consumption estimates are reduced.

**CITY AND COUNTY OF HONOLULU**  
**Notes to the General Purpose Financial Statements**

**Transactions with the City –**

**Billing and Collection Services** – The Board has an agreement with the Department of Environmental Services, City and County of Honolulu to provide certain services through June 30, 2004, relating to the billing and collection of sewer service charges. Fees related to these services were negotiated at approximately \$100,000 per year through fiscal 2003. The fees for fiscal 2004 are subject to renegotiation. The revenues related to these fees are included in other operating revenues in the enterprise fund – discretely presented component unit statement of revenues, expenses and changes in retained earnings, and the corresponding expense in the Sewer Fund in the enterprise fund – proprietary fund type statement of revenues, expenses and changes in retained earnings.

**Central Administrative Services Expense (CASE) Fee** – On June 30, 2000, the Board entered into an agreement with the City to pay a Central Administrative Services Expense (CASE) fee for treasury, personnel, purchasing and other services that the City provides to the Board on an on-going basis. The CASE was calculated as 3% of the Board's total operating budget less budgeted transfers to the capital improvement, renewal and replacement, and other Board funds for fiscal 2000.

For fiscal 2001, the CASE fee increased to 4% of the above computation less actual fees billed by the City for specified services. The CASE fees for fiscal years subsequent to 2001 are subject to negotiation between the Board and the City. Either the Board or the City may terminate this agreement at any time with six months prior written notice.

## **GENERAL FUND**

The General Fund accounts for all financial resources except those required to be accounted for in another fund.

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 34,330	\$ 59,877
Receivables:		
Real property taxes .....	5,950	6,638
Accounts .....	306	256
Interest .....	1,540	--
Intergovernmental .....	17,449	7,152
Component unit - CASE fees .....	--	8,413
Due from other fund:		
Solid Waste Fund .....	--	579
Total Assets .....	<u>\$ 59,575</u>	<u>\$ 82,915</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 2,261	\$ 3,500
Accounts payable .....	1,323	5,305
Due to other funds:		
Sewer Fund .....	132	1,162
Solid Waste Fund .....	168	1,058
General Trust Fund .....	--	188
Accrued payroll and fringes .....	3,807	--
Deferred revenue .....	10,348	12,843
Total Liabilities .....	<u>18,039</u>	<u>24,056</u>
Fund Balance:		
Reserved for encumbrances .....	18,189	20,683
Unreserved - undesignated .....	23,347	38,176
Total Fund Balance .....	<u>41,536</u>	<u>58,859</u>
Total Liabilities and Fund Balance .....	<u>\$ 59,575</u>	<u>\$ 82,915</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Amounts in thousands)

	2001	2000
Revenues:		
Taxes .....	\$ 380,098	\$ 399,115
Licenses and permits .....	26,820	25,969
Intergovernmental .....	35,742	33,680
Charges for services .....	4,836	5,110
Fines and forfeits .....	159	222
Miscellaneous:		
Reimbursements and recoveries .....	86,831	97,129
Interest .....	13,143	13,044
Other .....	5,210	13,940
Total Revenues .....	<u>552,839</u>	<u>588,209</u>
Expenditures:		
Current:		
General government .....	86,444	83,464
Public safety .....	193,692	178,544
Highways and streets .....	2,964	1,387
Health and human resources .....	14,327	12,324
Culture-recreation .....	38,792	34,859
Utilities or other enterprises .....	140	8
Miscellaneous:		
Retirement and health benefits .....	51,565	53,663
Other .....	14,547	13,939
Capital outlay .....	2,670	86
Debt Service:		
Principal retirement .....	1,084	1,501
Interest charges .....	362	438
Total Expenditures .....	<u>406,587</u>	<u>380,213</u>
Revenues over Expenditures .....	<u>146,252</u>	<u>207,996</u>
Other Financing Sources (Uses):		
Inception of installment purchase contracts .....	2,670	86
Sales of general fixed assets .....	117	6,531
Operating transfers in .....	47,634	44,714
Operating transfers out .....	(213,996)	(250,211)
Total Other Financing Sources (Uses) .....	<u>(163,575)</u>	<u>(198,880)</u>
Revenues and Other Sources over (under) Expenditures and Other Uses .....	(17,323)	9,116
Fund Balance - July 1 .....	<u>58,859</u>	<u>49,743</u>
Fund Balance - June 30 .....	<u>\$ 41,536</u>	<u>\$ 58,859</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 3)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues:</b>			
Taxes .....	\$ 374,099	\$ 380,098	\$ 5,999
Licenses and permits .....	26,063	26,820	757
Intergovernmental .....	35,018	35,742	724
Charges for services .....	4,702	4,836	134
Fines and forfeits .....	176	159	(17)
Miscellaneous:			
Reimbursements and recoveries .....	91,741	86,831	(4,910)
Interest .....	11,204	13,143	1,939
Other .....	18,725	5,210	(13,515)
<b>Total Revenues .....</b>	<b>561,728</b>	<b>552,839</b>	<b>(8,889)</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>General government:</b>			
Budget and Fiscal Services .....	11,212	10,541	671
City Clerk .....	2,406	2,217	189
City Council .....	4,156	4,133	23
Corporation Counsel .....	6,101	5,653	448
Customer Services .....	14,996	13,884	1,112
Design and Construction .....	11,285	10,421	864
Facility Maintenance .....	8,660	8,566	94
Human Resources .....	4,047	3,885	162
Information Technology .....	7,951	7,561	390
Mayor .....	4,452	4,300	152
Planning and Permitting .....	6,163	5,624	539
Prosecuting Attorney .....	11,797	11,556	241
<b>Total General government .....</b>	<b>93,226</b>	<b>88,341</b>	<b>4,885</b>
<b>Public safety:</b>			
Emergency Services .....	4,741	4,737	4
Fire .....	55,501	54,193	1,308
Mayor .....	535	535	--
Medical Examiner .....	991	947	44
Planning and Permitting .....	3,971	3,955	16
Police .....	134,840	128,823	6,017
Transportation Services .....	15	12	3
<b>Total Public safety .....</b>	<b>200,594</b>	<b>193,202</b>	<b>7,392</b>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 3)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Highways and streets:			
Facility Maintenance .....	3,329	3,054	275
Health and human resources:			
Community Services .....	2,016	1,825	191
Emergency Services .....	11,765	11,620	145
Total Health and human resources .....	13,781	13,445	336
Culture-recreation:			
Enterprise Services .....	75	69	6
Mayor .....	1,554	1,337	217
Parks and Recreation .....	37,374	37,125	249
Total Culture-recreation .....	39,003	38,531	472
Utilities or other enterprises:			
Transportation Services .....	140	140	--
Miscellaneous:			
Retirement and health benefits:			
Budget and Fiscal Services .....	120	78	42
City Council .....	600	574	26
Provisional .....	56,535	54,390	2,145
Total Retirement and health benefits .....	57,255	55,042	2,213
Other:			
Budget and Fiscal Services .....	3,650	3,275	375
City Council .....	233	37	196
Provisional .....	11,025	9,612	1,413
Total Other .....	14,908	12,924	1,984
Total Miscellaneous .....	72,163	67,966	4,197
Debt Service:			
Budget and Fiscal Services .....	359	359	--
Total Expenditures .....	422,595	405,038	17,557
Revenues over Expenditures .....	139,133	147,801	8,668

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 3 of 3)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing Sources (Uses):			
Sales of general fixed assets .....	130	117	(13)
Operating transfers in:			
Central Administrative Service Expenses .....	19,368	19,368	--
Debt service .....	27,216	27,046	(170)
Other .....	1,420	1,220	(200)
Operating transfers out:			
Debt service - Budget and Fiscal Services .....	(148,534)	(145,812)	2,722
Other - Budget and Fiscal Services .....	(33,489)	(30,376)	3,113
Other - Community Services .....	(25)	(25)	--
Other - Facility Maintenance .....	(124)	(124)	--
Other - Environmental Services .....	--	(141)	(141)
Bus subsidy - Budget and Fiscal Services .....	(37,518)	(37,518)	--
Total Other Financing Sources (Uses) .....	<u>(171,556)</u>	<u>(166,245)</u>	<u>5,311</u>
Revenues and Other Sources under Expenditures and Other Uses .....	(32,423)	(18,444)	13,979
Unreserved - Undesignated Fund Balance - July 1 .....	<u>40,300</u>	<u>38,176</u>	<u>(2,124)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 7,877</u>	19,732	<u>\$ 11,855</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		13,741	
Expenditures - prior year encumbrances .....		(15,275)	
Accrued retirement contribution .....		3,477	
Accrued payroll .....		(822)	
Decrease in reserved for encumbrances .....		<u>2,494</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		23,347	
Reserved for Encumbrances - June 30 .....		<u>18,189</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 41,536</u>	

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 6)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>TAXES</u></b>			
<b>GENERAL PROPERTY TAXES:</b>			
Real Property Tax .....	\$ 374,099	\$ 380,098	\$ 5,999
<b>TOTAL TAXES .....</b>	<b>374,099</b>	<b>380,098</b>	<b>5,999</b>
<b><u>LICENSES AND PERMITS</u></b>			
<b>BUSINESS LICENSES AND PERMITS:</b>			
Health:			
Hotels, Lodging Houses and Restaurants .....	7	2	(5)
Police and Protective:			
Auctioneers and Pawn Brokers .....	2	8	6
Firearms .....	1	2	1
Second-Hand and Junk Dealers .....	12	16	4
Peddlers and Itinerant Vendors .....	4	4	--
Other .....	1	4	3
<b>Total Business Licenses and Permits .....</b>	<b>27</b>	<b>36</b>	<b>9</b>
<b>NON-BUSINESS LICENSES AND PERMITS:</b>			
Building Structures and Equipment Permits:			
Building .....	6,000	6,740	740
Signs .....	27	24	(3)
Relocation .....	1	--	(1)
Motor Vehicle Licenses and Fees:			
Motor Vehicle Plate and Tag Fees .....	1,313	1,404	91
Motor Vehicle Transfer Fees and Penalty .....	2,468	2,516	48
Duplicate Registration and Ownership Certificates .....	176	210	34
Motor Vehicle Registration Annual Fee .....	11,802	11,824	22
Other .....	27	8	(19)
Other Vehicle Licenses and Fees:			
Passenger and Freight Vehicle Permit Fees .....	61	79	18
Nonresident Vehicle Permit .....	16	19	3
Motor Vehicle Drivers' Licenses .....	3,573	3,214	(359)
Animal Licenses:			
Dog Licenses .....	280	261	(19)
Dog Tag Fees .....	10	10	--
Street, Sidewalk and Curb Permits:			
Easement Grants .....	150	127	(23)
Newsstands .....	16	16	--
Telephone Enclosures .....	70	31	(39)
Dispensing Rack .....	--	26	26
Fire Code Permits and License Fees .....	46	275	229
<b>Total Non-Business Licenses and Permits .....</b>	<b>26,036</b>	<b>26,784</b>	<b>748</b>
<b>TOTAL LICENSES AND PERMITS .....</b>	<b>26,063</b>	<b>26,820</b>	<b>757</b>

CITY AND COUNTY OF HONOLULU  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

(Page 2 of 6)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>INTERGOVERNMENTAL</b>			
<b>FEDERAL GRANTS:</b>			
Civil Defense Administration Expense .....	112	31	(81)
U. S. Department of Justice Crime Act .....	--	64	64
Total Federal Grants .....	112	95	(17)
<b>STATE GRANT:</b>			
Transient Accommodation Tax .....	34,900	35,641	741
Total State Grant .....	34,900	35,641	741
<b>INTERGOVERNMENTAL PAYMENTS IN LIEU OF TAXES:</b>			
Fish and Wildlife Service .....	6	6	--
Total Intergovernmental Payments In Lieu of Taxes .....	6	6	--
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b>35,018</b>	<b>35,742</b>	<b>724</b>
<b>CHARGES FOR SERVICES</b>			
<b>GENERAL GOVERNMENT:</b>			
Data Processing Services:			
Duplication of Master Tapes .....	68	57	(11)
Data Processing Service - State .....	459	344	(115)
Data Processing Service - U.S. Government .....	25	30	5
Data Processing Service - Other Counties .....	672	887	215
Legal Services (BWS) .....	120	30	(90)
Service Fee for Dishonored Checks .....	23	27	4
Band Collections .....	4	4	--
Automotive Equipment Service Charges .....	273	197	(76)
Subdivision Fees .....	38	45	7
Application Fees for Zoning Regulations .....	92	80	(12)
Nonconforming Use Renewal Fees .....	208	204	(4)
Plan Review Use Fees .....	750	692	(58)
Unilateral Agreement Fees .....	--	194	194
Administrative Fee--Multi-Family Housing Program.....	185	211	26
Charges for Publications, Reports, etc .....	13	7	(6)
Fees for Certificates, Copies and Extracts of Records .....	122	133	11
Fees for Services .....	3	4	1
Custodial and Attendant Services .....	100	190	90
Spay-Neuter Service .....	258	243	(15)
Other .....	10	22	12
Total General Government .....	3,423	3,601	178

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 3 of 6)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>PUBLIC SAFETY:</b>			
Police Charges:			
Taxicab Drivers' and Pedicab Operators' Certificates ....	44	42	(2)
HPD Special Duty Fees .....	130	161	31
Corrections:			
Care of Federal Prisoners .....	30	39	9
Protective Inspection:			
Electrical Inspection .....	1	--	(1)
Miscellaneous:			
Filing Fee-Building Code Variance/Appeal .....	2	1	(1)
Total Public Safety .....	<u>207</u>	<u>243</u>	<u>36</u>
<b>HIGHWAYS AND STREETS:</b>			
Parking:			
City Employees .....	500	475	(25)
HPD Parking Lot .....	140	140	--
Total Highways and Streets .....	<u>640</u>	<u>615</u>	<u>(25)</u>
<b>CULTURE-RECREATION:</b>			
Commercial Activities:			
Scuba and Snorkeling .....	21	21	--
Windsurfing .....	4	4	--
Commercial Filming .....	27	14	(13)
Summer Fun Program .....	190	143	(47)
Fall and Spring Program .....	30	27	(3)
Foster Botanic Garden .....	120	124	4
Fees for Community Garden .....	40	44	4
Total Culture-Recreation .....	<u>432</u>	<u>377</u>	<u>(55)</u>
TOTAL CHARGES FOR SERVICES .....	<u>4,702</u>	<u>4,836</u>	<u>134</u>
<b><u>FINES AND FORFEITS</u></b>			
<b>FINES:</b>			
Fines .....	126	61	(65)
Non-Performance .....	--	13	13
Total Fines .....	<u>126</u>	<u>74</u>	<u>(52)</u>
<b>FORFEITS:</b>			
Forfeiture of Seized Property .....	50	84	34
Other .....	--	1	1
Total Forfeits .....	<u>50</u>	<u>85</u>	<u>35</u>
TOTAL FINES AND FORFEITS .....	<u>176</u>	<u>159</u>	<u>(17)</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 4 of 6)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>MISCELLANEOUS</b>			
<b>REIMBURSEMENTS AND RECOVERIES:</b>			
Reimbursements from State:			
Fire Inspection Services .....	47	23	(24)
Police Services .....	--	28	28
Fireboat Operations .....	1,846	516	(1,330)
HPD Civil Defense Coordinator .....	29	22	(7)
Motor Vehicle Inspection Program .....	214	312	98
Family Support Program .....	900	711	(189)
Emergency Ambulance Services .....	15,147	16,243	1,096
Collection Cost - State Motor Vehicle			
Weight Tax, etc. ....	381	546	165
Commercial Drivers' License Program .....	208	286	78
Other .....	--	25	25
Recoveries:			
Overhead Charges .....	200	178	(22)
Workers' Compensation Payment .....	350	348	(2)
Ambulance Maintenance .....	182	--	(182)
Centralized Real Property Tax Services .....	60	--	(60)
Central Administrative Service Expenses:			
Board of Water Supply .....	5,100	4,786	(314)
Debt Service Charges - Enterprise Funds:			
Board of Water Supply .....	4,239	2,727	(1,512)
Sewer .....	20,816	20,729	(87)
Solid Waste .....	31,190	29,583	(1,607)
Housing .....	10,687	9,564	(1,123)
Program on Aging .....	--	21	21
Workers' Compensation Claims (Third Party) .....	75	92	17
Fuel Taxes for Off-Highway Use Vehicles .....	56	74	18
Recoveries - Other .....	14	17	3
Total Reimbursements and Recoveries .....	<u>91,741</u>	<u>86,831</u>	<u>(4,910)</u>
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	11,200	13,140	1,940
Other Sources .....	4	3	(1)
Total Interest .....	<u>11,204</u>	<u>13,143</u>	<u>1,939</u>

CITY AND COUNTY OF HONOLULU  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

(Page 5 of 6)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER MISCELLANEOUS:</b>			
Rents:			
Rental Units:			
Rental Units (City Property) .....	236	200	(36)
Rental Units (HCD Property) .....	21	249	228
Rental - Ambulance Facilities .....	66	66	--
Rental of Parks and Recreational Facilities:			
Perquisite Housing .....	16	21	5
Other .....	--	1	1
Rental of Equipment .....	16	25	9
Rental for Use of Land .....	112	124	12
Rental of Other Properties:			
Harbor Court Lease Rent .....	--	1,784	1,784
Total Rents .....	467	2,470	2,003
Concessions:			
Other Concessions:			
Food Concession - HPD .....	18	30	12
Public Pay Phones .....	250	104	(146)
Other Concessions .....	5	6	1
Total Concessions .....	273	140	(133)
Contributions from Private Sources:			
Unclaimed Monies:			
Police Department .....	12	2	(10)
Total Contributions from Private Sources .....	12	2	(10)
Other:			
Harbor Court Lease to Fee Conversion .....	10,000	--	(10,000)
Housing Buy-Back Receipts .....	--	133	133
Towing Service Premiums .....	500	450	(50)
Vacation Accumulation Deposits .....	20	293	273
Miscellaneous Sales .....	140	125	(15)
Sundry Refunds .....	7,313	1,569	(5,744)
Sundry Realizations .....	--	28	28
Total Other .....	17,973	2,598	(15,375)
Total Other Miscellaneous .....	18,725	5,210	(13,515)
TOTAL MISCELLANEOUS .....	121,670	105,184	(16,486)
TOTAL REVENUES .....	561,728	552,839	(8,889)

CITY AND COUNTY OF HONOLULU  
**GENERAL FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 6 of 6)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER FINANCING SOURCES</b>			
<b>SALES OF GENERAL FIXED ASSETS:</b>			
Sale of Fixed Assets .....	130	117	(13)
<b>TOTAL SALES OF GENERAL FIXED ASSETS .....</b>	<b>130</b>	<b>117</b>	<b>(13)</b>
<b>TRANSFERS FROM OTHER FUNDS:</b>			
Recovery of Central Administrative Service Expenses:			
Highway Fund .....	4,700	4,700	--
Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund .....	75	75	--
Blkeway Fund .....	41	41	--
Sewer Fund .....	5,410	5,410	--
Liquor Commission Fund .....	155	155	--
Rental Assistance Fund .....	12	12	--
Hanauma Bay Nature Preserve Fund .....	158	158	--
Golf Fund .....	881	881	--
Special Events Fund .....	576	576	--
Solid Waste Special Fund .....	7,360	7,360	--
Recovery of Debt Service Charges:			
Highway Fund .....	15,119	14,949	(170)
Hanauma Bay Nature Preserve Fund .....	414	414	--
Golf Fund .....	8,762	8,762	--
Special Events Fund .....	2,921	2,921	--
Other Transfers:			
Sewer Fund .....	710	710	--
Liquor Commission Fund .....	200	200	--
Solid Waste Special Fund .....	310	310	--
Municipal Store Revolving Fund .....	200	--	(200)
<b>TOTAL TRANSFERS FROM OTHER FUNDS .....</b>	<b>48,004</b>	<b>47,634</b>	<b>(370)</b>
<b>TOTAL OTHER FINANCING SOURCES .....</b>	<b>48,134</b>	<b>47,751</b>	<b>(383)</b>
<b>TOTAL GENERAL FUND .....</b>	<b>\$ 609,862</b>	<b>\$ 600,590</b>	<b>\$ (9,272)</b>

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# **SPECIAL REVENUE FUNDS**

## **Highway Fund**

This fund accounts for disposition of proceeds from special revenues earmarked by law for highway and related activities. Major revenue sources include the City fuel tax, vehicle weight tax and public utility franchise tax.

## **Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund**

This fund accounts for receipts from each certificate of registration. These monies are expended primarily for the beautification of highways under the jurisdiction of the City and the disposition of abandoned vehicles.

## **Bikeway Fund**

This fund accounts for the bicycle biennial registration fee, which is earmarked for operating, acquisition and other costs related to bikeways.

## **Parks and Playgrounds Fund**

All monies received in lieu of providing land in perpetuity or dedicating land, together with facilities for park and playground purposes are recorded in this fund. These monies must be expended for the purchase of land for parks and playgrounds, park and playground equipment, and/or the improvement of existing parks and playgrounds.

## **Federal Revenue Sharing Fund**

All monies received from the federal government under the State and Local Fiscal Assistance Act of 1972 are deposited in this fund and expended for purposes authorized by the provisions of the Act.

## **Liquor Commission Fund**

This fund accounts for all monies collected by as well as received on behalf of the Liquor Commission and used for operational and administrative costs of the Liquor Commission.

## **Rental Assistance Fund**

This fund accounts for all net receipts from the Hale Pauahi parking structure which are expended for monthly rental assistance payments to landlords on behalf of eligible applicants.

## **Zoo Animal Purchase Fund**

This fund accounts for the proceeds from the sale of surplus animals from the Honolulu Zoo and all donations made specifically for the purchase of animals. Funds in this account shall be expended for the acquisition of zoo animals to include shipping, insurance, travel and other related costs.

## **Hanauma Bay Nature Preserve Fund**

This fund accounts for receipts from the entrance and vehicle admission fees to the Hanauma Bay Nature Preserve and is earmarked primarily for the operation, maintenance and improvement of the Nature Preserve.

## **Special Reserve Fund**

This fund accounts for all monies determined to be in excess of expenditures at the end of each fiscal year. All monies deposited into this fund shall be used solely for (1) natural disaster relief, (2) unanticipated obligations to third parties, and/or (3) significant events endangering the health, welfare or safety of the residents of the island of Oahu.

## **Community Development Fund**

Monies are provided by the federal government under the Housing and Community Development Act of 1974, as amended; the National Affordable Housing Act of 1990, as amended; monies generated as program income; and monies carried over from prior years. Funds are expended to carry out the objectives of the Acts.

## **Golf Fund**

Receipts for this fund are derived from the operation of the City's golf facilities. All funds are expended for the management, operation and maintenance of the municipal golf courses.

## **SPECIAL REVENUE FUNDS (Continued)**

### **Special Events Fund**

This fund accounts for all revenues derived from the operation of the City's auditorium facilities, Waikiki Shell and Honolulu Zoo. All funds are expended for the operation of the Department of Enterprise Services.

### **Farmers Home Administration Loan Fund**

This fund accounts for all proceeds from the issuance and sale of bonds to the Farmers Home Administration for the purpose of financing portions of the cost of such projects as approved by the Farmers Home Administration.

### **Special Projects Fund**

This fund accounts for all monies received under special contracts executed between the City and the State of Hawaii. Monies received from various other sources for operating and capital improvement expenditures for which no financing has been provided in other funds, such as contributions from property owners exclusive of improvement district assessment collections, are also accounted for in this fund.

### **Federal Grants Fund**

This fund accounts for all monies received from the federal government as grants for specific projects as well as supporting monies from other sources, where such monies are not accountable in any other fund. All monies placed in the fund are maintained in separate accounts identified with, and expended for, the intended purposes.

### **Housing and Community Development Rehabilitation Loan Fund**

This fund makes loan monies available primarily to low and moderate income applicants unable to secure or qualify for funds under the Rehabilitation Loan Program sponsored by the federal government.

### **Pauahi Project Expenditures, Hawaii R-15 Fund**

This fund was created to facilitate financing of the Pauahi Project redevelopment plan providing for the acquisition, clearance, construction of site improvements, and sale or lease of home, apartment and commercial sites to private parties for development in accordance with said plan.

### **Housing and Community Development Section 8 Contract Fund**

This fund accounts for all monies received from the federal government under the Housing and Community Development Act of 1974 for the purposes set forth under Title II of the Act.

### **Leasehold Conversion Fund**

This fund accounts for all monies to assist lessees to purchase, at fair and reasonable prices, lands upon which are situated either residential condominium, cooperative housing or residential planned development.

### **Revolving Funds**

#### **Improvement District Revolving Fund**

Monies in this revolving fund are available to cover deficiencies, advance interest due, reimburse the General Fund in the event the payment of assessments are late or insufficient, and pay all expenses in connection with the sale of delinquent lots as bid for and purchased for the City by the Director of Budget and Fiscal Services.

#### **Housing and Community Development Revolving Fund**

This fund serves as a working capital fund to facilitate the expenditure of joint costs.

#### **Municipal Stores Revolving Fund**

This fund is used to finance the Municipal Stores through bulk purchases and resale of regularly used standard printed forms and various publications dealing with City matters.

## **SPECIAL REVENUE FUNDS**

CITY AND COUNTY OF HONOLULU  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
(Amounts in thousands)

(Page 1 of 5)

	Highway Fund	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund	Parks and Playgrounds Fund
<b><u>ASSETS</u></b>				
Cash and investments:				
With Treasury and banks.....	\$ 14,750	\$ 925	\$ 730	\$ 4,959
Receivables:				
Public Utilities .....	11,405	--	--	--
Accounts .....	--	--	--	--
Loans .....	--	--	--	--
Intergovernmental .....	3,898	--	--	--
Due from other funds .....	12	--	--	--
Inventories - Municipal Stores .....	--	--	--	--
Total Assets .....	<u>\$ 30,065</u>	<u>\$ 925</u>	<u>\$ 730</u>	<u>\$ 4,959</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>				
Liabilities:				
Checks payable .....	\$ 283	\$ 15	\$ 4	\$ --
Accounts payable .....	345	30	--	--
Due to other funds .....	--	--	--	--
Accrued payroll and fringes .....	330	--	--	--
Deferred revenue .....	11,405	--	--	--
Total Liabilities .....	<u>12,363</u>	<u>45</u>	<u>4</u>	<u>--</u>
Fund Balances:				
Reserved for encumbrances .....	2,122	558	1	--
Unreserved - undesignated .....	15,580	322	725	4,959
Total Fund Balances .....	<u>17,702</u>	<u>880</u>	<u>726</u>	<u>4,959</u>
Total Liabilities and Fund Balances .....	<u>\$ 30,065</u>	<u>\$ 925</u>	<u>\$ 730</u>	<u>\$ 4,959</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
(Amounts in thousands)

(Page 2 of 5)

<u>Federal Revenue Sharing Fund</u>	<u>Liquor Commission Fund</u>	<u>Rental Assistance Fund</u>	<u>Zoo Animal Purchase Fund</u>	<u>Hanauma Bay Nature Preserve Fund</u>	<u>Special Reserve Fund</u>
\$ 47	\$ 1,508	\$ 1,033	\$ 40	\$ 2,122	\$ 5,034
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>\$ 47</u>	<u>\$ 1,508</u>	<u>\$ 1,033</u>	<u>\$ 40</u>	<u>\$ 2,122</u>	<u>\$ 5,034</u>
\$ --	\$ 25	\$ 8	\$ --	\$ 71	\$ --
--	2	--	--	8	--
--	--	--	--	--	--
--	7	--	--	16	--
<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>
--	34	8	--	95	--
--	66	--	--	113	--
<u>47</u>	<u>1,408</u>	<u>1,025</u>	<u>40</u>	<u>1,914</u>	<u>5,034</u>
<u>47</u>	<u>1,474</u>	<u>1,025</u>	<u>40</u>	<u>2,027</u>	<u>5,034</u>
<u>\$ 47</u>	<u>\$ 1,508</u>	<u>\$ 1,033</u>	<u>\$ 40</u>	<u>\$ 2,122</u>	<u>\$ 5,034</u>

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
(Amounts in thousands)

(Page 3 of 5)

	Community Development Fund	Golf Fund	Special Events Fund	Farmers Home Administration Loan Fund
<u>ASSETS</u>				
Cash and Investments:				
With Treasury and banks.....	\$ 89	\$ 318	\$ 1,129	\$ 46
Receivables:				
Public Utilities .....	--	--	--	--
Accounts .....	--	--	--	--
Loans .....	--	--	--	--
Intergovernmental .....	--	--	--	--
Due from other funds .....	--	--	--	--
Inventories - Municipal Stores .....	--	--	--	--
Total Assets .....	<u>\$ 89</u>	<u>\$ 318</u>	<u>\$ 1,129</u>	<u>\$ 46</u>
<u>LIABILITIES AND FUND BALANCES</u>				
Liabilities:				
Checks payable .....	\$ 9	\$ 12	\$ 14	\$ --
Accounts payable .....	--	30	66	--
Due to other funds .....	--	--	--	--
Accrued payroll and fringes .....	--	43	74	--
Deferred revenue .....	--	--	--	--
Total Liabilities .....	<u>9</u>	<u>85</u>	<u>154</u>	<u>--</u>
Fund Balances:				
Reserved for encumbrances .....	903	259	318	--
Unreserved - undesignated .....	<u>(823)</u>	<u>(26)</u>	<u>657</u>	<u>46</u>
Total Fund Balances .....	<u>80</u>	<u>233</u>	<u>975</u>	<u>46</u>
Total Liabilities and Fund Balances .....	<u>\$ 89</u>	<u>\$ 318</u>	<u>\$ 1,129</u>	<u>\$ 46</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL REVENUE FUNDS**  
**COMBINING BALANCE SHEET**  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 4 of 5)

Special Projects Fund	Federal Grants Fund	Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund	Leasehold Conversion Fund
\$ 1,491	\$ 6,796	\$ 7,972	\$ 2,612	\$ 4,244	\$ 664
--	--	--	--	--	--
--	--	--	--	--	--
--	--	13,263	--	--	--
687	178	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>\$ 2,178</u>	<u>\$ 6,974</u>	<u>\$ 21,235</u>	<u>\$ 2,612</u>	<u>\$ 4,244</u>	<u>\$ 664</u>
\$ 167	\$ 464	\$ --	\$ --	\$ 89	\$ --
9	17	--	--	6	--
--	--	--	--	--	--
--	--	--	--	--	--
343	773	13,263	483	--	577
<u>519</u>	<u>1,254</u>	<u>13,263</u>	<u>483</u>	<u>95</u>	<u>577</u>
2,290	9,355	7,972	1,764	4,113	--
(631)	(3,635)	--	365	36	87
<u>1,659</u>	<u>5,720</u>	<u>7,972</u>	<u>2,129</u>	<u>4,149</u>	<u>87</u>
<u>\$ 2,178</u>	<u>\$ 6,974</u>	<u>\$ 21,235</u>	<u>\$ 2,612</u>	<u>\$ 4,244</u>	<u>\$ 664</u>

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
(Amounts in thousands)

(Page 5 of 5)

	Revolving Funds	Totals 2001	2000
<b><u>ASSETS</u></b>			
Cash and Investments:			
With Treasury and banks.....	\$ 1,997	\$ 58,506	\$ 66,273
Receivables:			
Public Utilities .....	--	11,405	--
Accounts .....	--	--	2
Loans .....	--	13,263	13,634
Intergovernmental .....	--	4,763	4,332
Due from other funds .....	--	12	143
Inventories - Municipal Stores .....	24	24	47
Total Assets .....	<u>\$ 2,021</u>	<u>\$ 87,973</u>	<u>\$ 84,431</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>			
Liabilities:			
Checks payable .....	\$ 2	\$ 1,163	\$ 1,116
Accounts payable .....	--	513	2
Due to other funds .....	--	--	167
Accrued payroll and fringes .....	--	470	--
Deferred revenue .....	--	26,844	15,592
Total Liabilities .....	<u>2</u>	<u>28,990</u>	<u>16,877</u>
Fund Balances:			
Reserved for encumbrances .....	1	29,835	40,373
Unreserved - undesignated .....	2,018	29,148	27,181
Total Fund Balances .....	<u>2,019</u>	<u>58,983</u>	<u>67,554</u>
Total Liabilities and Fund Balances .....	<u>\$ 2,021</u>	<u>\$ 87,973</u>	<u>\$ 84,431</u>

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
( Amounts in thousands )

( Page 1 of 5 )

	Highway Fund	Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund	Bikeway Fund
Revenues:			
Taxes.....	\$ 68,888	\$ --	\$ --
Licenses and permits.....	26,561	--	348
Intergovernmental.....	--	--	--
Charges for services.....	4,249	1,086	--
Fines and forfeits.....	6	--	--
Miscellaneous:			
Reimbursements and recoveries.....	419	--	--
Interest.....	--	--	--
Other.....	2,781	12	149
Total Revenues.....	102,904	1,098	497
Expenditures:			
Current:			
General government.....	11,962	906	--
Public safety.....	20,676	--	307
Highways and streets.....	11,825	--	4
Sanitation.....	439	--	--
Health and human resources.....	--	--	--
Culture-recreation.....	--	289	--
Utilities or other enterprises.....	1,651	--	--
Miscellaneous:			
Retirement and health benefits.....	6,320	--	--
Other.....	1,104	--	--
Total Expenditures.....	53,977	1,195	311
Revenues over (under) Expenditures.....	48,927	(97)	186
Other Financing Sources (Uses):			
Sales of general fixed assets.....	140	--	--
Operating transfers in.....	--	--	809
Operating transfers out.....	(44,966)	(75)	(697)
Total Other Financing Sources (Uses).....	(44,826)	(75)	112
Revenues and Other Sources over (under) Expenditures and Other Uses.....	4,101	(172)	298
Fund Balances - July 1.....	13,601	1,052	428
Fund Balances - June 30.....	\$ 17,702	\$ 880	\$ 726

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
( Amounts In thousands )

( Page 2 of 5 )

	Parks and Playgrounds Fund	Federal Revenue Sharing Fund	Liquor Commission Fund
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	2,537
Intergovernmental.....	--	--	--
Charges for services.....	--	--	123
Fines and forfeits.....	--	--	201
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	--	--	--
Other.....	112	--	--
Total Revenues.....	112	--	2,861
Expenditures:			
Current:			
General government.....	--	--	1,993
Public safety.....	--	--	--
Highways and streets.....	--	--	--
Sanitation.....	--	--	--
Health and human resources.....	--	--	--
Culture-recreation.....	--	--	--
Utilities or other enterprises.....	--	--	--
Miscellaneous:			
Retirement and health benefits.....	--	--	305
Other.....	--	--	50
Total Expenditures.....	--	--	2,348
Revenues over (under) Expenditures.....	112	--	513
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	463	--	--
Operating transfers out.....	(4,037)	--	(355)
Total Other Financing Sources (Uses).....	(3,574)	--	(355)
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(3,462)	--	158
Fund Balances - July 1.....	8,421	47	1,316
Fund Balances - June 30.....	\$ 4,959	\$ 47	\$ 1,474

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
( Amounts in thousands )

( Page 3 of 5 )

Rental Assistance Fund	Zoo Animal Purchase Fund	Hanauma Bay Nature Preserve Fund	Special Reserve Fund	Community Development Fund	Golf Fund	Special Events Fund
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--	--
--	--	--	--	11,444	--	--
--	--	2,543	--	--	6,207	1,674
--	--	--	--	--	--	--
--	--	--	--	--	--	14
--	--	--	--	--	--	36
64	1	999	--	--	3,724	4,485
64	1	3,542	--	11,444	9,931	6,209
--	--	8	--	554	--	144
--	--	278	--	220	--	--
--	--	--	--	--	--	--
--	--	--	--	--	--	--
167	--	--	--	409	--	--
--	11	2,005	--	--	6,957	7,233
--	--	--	--	1,027	--	--
--	--	291	--	--	832	845
--	--	2	--	--	16	55
167	11	2,584	--	2,210	7,805	8,277
(103)	(10)	958	--	9,234	2,126	(2,068)
--	--	--	--	--	--	--
(12)	--	(573)	--	(9,251)	7,291 (9,643)	5,746 (3,497)
(12)	--	(573)	--	(9,251)	(2,352)	2,249
(115)	(10)	385	--	(17)	(226)	181
1,140	50	1,642	5,034	97	459	794
\$ 1,025	40	\$ 2,027	\$ 5,034	\$ 80	\$ 233	\$ 975

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
( Amounts in thousands )

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	Farmers Home Administration Loan Fund	Special Projects Fund	Federal Grants Fund
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	--	4,414	35,892
Charges for services.....	--	--	--
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	--	--	57
Other.....	--	60	27
Total Revenues.....	--	4,474	35,976
Expenditures:			
Current:			
General government.....	--	1,176	1,331
Public safety.....	--	437	1,894
Highways and streets.....	--	183	--
Sanitation.....	--	32	11
Health and human resources.....	--	3,511	12,037
Culture-recreation.....	--	5	263
Utilities or other enterprises.....	--	--	20,803
Miscellaneous:			
Retirement and health benefits.....	--	--	--
Other.....	--	--	--
Total Expenditures.....	--	5,344	36,339
Revenues over (under) Expenditures.....	--	(870)	(363)
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	--	--	--
Operating transfers out.....	--	--	--
Total Other Financing Sources (Uses).....	--	--	--
Revenues and Other Sources over (under) Expenditures and Other Uses.....	--	(870)	(363)
Fund Balances - July 1.....	46	2,529	6,083
Fund Balances - June 30.....	\$ 46	\$ 1,659	\$ 5,720

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
( Amounts in thousands )

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Housing and Community Development Rehabilitation Loan Fund	Pauahi Project Expenditures Hawaii R-15 Fund	Housing and Community Development Section 8 Contract Fund	Leasehold Conversion Fund	Revolving Funds	Totals	
					2001	2000
\$ --	\$ --	\$ --	\$ --	\$ --	\$ 68,888	\$ 62,140
--	--	--	--	--	29,446	29,188
--	--	26,354	--	--	78,104	94,682
--	--	--	--	--	15,882	15,379
--	--	--	--	--	207	255
--	--	--	--	--	433	14
490	136	872	3	--	1,594	1,202
2,287	--	26	38	72	14,837	14,507
2,777	136	27,252	41	72	209,391	217,367
--	--	140	--	62	18,276	18,276
--	--	--	--	--	23,812	22,238
--	--	--	--	--	12,012	13,577
--	--	--	--	--	482	455
2,778	--	35,757	--	--	54,659	48,700
--	--	--	--	--	16,763	15,266
--	--	--	--	--	23,481	20,572
--	--	--	--	--	8,593	7,942
--	--	--	--	--	1,227	1,037
2,778	--	35,897	--	62	159,305	148,063
(1)	136	(8,645)	41	10	50,086	69,304
--	--	--	--	--	140	245
--	--	--	--	--	14,309	14,088
--	--	--	--	--	(73,106)	(68,792)
--	--	--	--	--	(58,657)	(54,459)
(1)	136	(8,645)	41	10	(8,571)	14,845
7,973	1,993	12,794	46	2,009	67,554	52,709
\$ 7,972	\$ 2,129	\$ 4,149	\$ 87	\$ 2,019	\$ 58,983	\$ 67,554

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts In thousands )

( Page 1 of 12 )

	Highway Fund		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ 64,257	\$ 68,888	\$ 4,631
Licenses and permits.....	23,767	26,561	2,794
Intergovernmental.....	--	--	--
Charges for services.....	3,877	4,249	372
Fines and forfeits.....	9	6	(3)
Miscellaneous:			
Reimbursements and recoveries.....	318	419	101
Interest.....	--	--	--
Other.....	1,310	2,781	1,471
Total Revenues.....	93,538	102,904	9,366
Expenditures:			
Current:			
General government.....	11,459	11,228	231
Public safety.....	20,885	20,617	268
Highways and streets.....	12,663	12,265	398
Sanitation.....	555	460	95
Health and human resources.....	--	--	--
Culture-recreation.....	--	--	--
Utilities or other enterprises.....	1,769	1,643	126
Miscellaneous:			
Retirement and health benefits.....	6,320	6,320	--
Other.....	1,171	1,104	67
Total Expenditures.....	54,822	53,637	1,185
Revenues over (under) Expenditures.....	38,716	49,267	10,551
Other Financing Sources (Uses):			
Sales of general fixed assets.....	126	140	14
Operating transfers in.....	--	--	--
Operating transfers out.....	(45,136)	(44,966)	170
Total Other Financing Sources (Uses).....	(45,010)	(44,826)	184
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(6,294)	4,441	10,735
Unreserved - Undesignated Fund Balances - July 1.....	6,300	10,930	4,630
Unreserved Undesignated Fund Balances - June 30 (Budgetary Basis).....	\$ 6	15,371	\$ 15,365
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above.....		1,854	
Expenditures - prior year encumbrances.....		(2,194)	
Accrued payroll .....		--	
Decrease (Increase) in reserved for encumbrances.....		549	
Operating transfers out - prior year encumbrances.....		--	
Unreserved - Undesignated Fund Balances - June 30 (GAAP Basis).....		15,580	
Reserved for Encumbrances - June 30.....		2,122	
Fund Balances - June 30 (GAAP Basis).....		\$ 17,702	

Note: The Federal Revenue Sharing Fund, the Special Reserve Fund and the Farmers Home Administration Loan Fund did not have legally adopted budgets and therefore are not shown on this schedule.

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

( Page 2 of 12 )

Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund			Bikeway Fund		
Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	466	348	(118)
1,264	1,086	(178)	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	12	12	--	149	149
1,264	1,098	(166)	466	497	31
994	935	59	--	--	--
--	--	--	303	294	9
--	--	--	20	4	16
--	--	--	--	--	--
500	500	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
1,494	1,435	59	323	298	25
(230)	(337)	(107)	143	199	56
--	--	--	--	--	--
--	--	--	--	809	809
(75)	(75)	--	(697)	(697)	--
(75)	(75)	--	(697)	112	809
(305)	(412)	(107)	(554)	311	865
500	682	182	554	413	(141)
\$ 195	270	\$ 75	\$ --	724	\$ 724
	259			1	
	(19)			(14)	
	--			--	
	(188)			14	
	--			--	
	322			725	
	558			1	
\$ 880			\$ 726		

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

( Page 3 of 12 )

	Parks and Playgrounds Fund		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	--	--	--
Charges for services.....	--	--	--
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	--	--	--
Other.....	96	112	16
Total Revenues.....	96	112	16
Expenditures:			
Current:			
General government.....	--	--	--
Public safety.....	--	--	--
Highways and streets.....	--	--	--
Sanitation.....	--	--	--
Health and human resources.....	--	--	--
Culture-recreation.....	--	--	--
Utilities or other enterprises.....	--	--	--
Miscellaneous:			
Retirement and health benefits.....	--	--	--
Other.....	--	--	--
Total Expenditures.....	--	--	--
Revenues over (under) Expenditures.....	96	112	16
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	--	463	463
Operating transfers out.....	(4,037)	(4,037)	--
Total Other Financing Sources (Uses).....	(4,037)	(3,574)	463
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(3,941)	(3,462)	479
Unreserved - Undesignated Fund Balances - July 1.....	8,400	8,421	21
Unreserved Undesignated Fund Balances - June 30 (Budgetary Basis).....	\$ 4,459	4,959	\$ 500
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above.....		--	--
Expenditures - prior year encumbrances.....		--	--
Accrued payroll .....		--	--
Decrease (increase) in reserved for encumbrances.....		--	--
Operating transfers out - prior year encumbrances.....		--	--
Unreserved - Undesignated Fund Balances - June 30 (GAAP Basis).....		4,959	
Reserved for Encumbrances - June 30.....		--	
Fund Balances - June 30 (GAAP Basis).....		\$ 4,959	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts In thousands )

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Liquor Commission Fund			Rental Assistance Fund		
Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
2,445	2,537	92	--	--	--
--	--	--	--	--	--
129	123	(6)	--	--	--
220	201	(19)	--	--	--
--	--	--	--	--	--
--	--	--	60	64	4
2,794	2,861	67	60	64	4
2,618	2,028	590	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	233	147	86
--	--	--	--	--	--
379	306	73	--	--	--
62	50	12	--	--	--
3,059	2,384	675	233	147	86
(265)	477	742	(173)	(83)	90
--	--	--	--	--	--
(355)	(355)	--	(12)	(12)	--
(355)	(355)	--	(12)	(12)	--
(620)	122	742	(185)	(95)	90
675	1,249	574	1,000	1,120	120
\$ 55	1,371	\$ 1,316	\$ 815	1,025	\$ 210
	65			--	
	(29)			(20)	
	--			--	
	1			20	
	--			--	
	1,408			1,025	
	66			--	
\$ 1,474			\$ 1,025		

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

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	Zoo Animal Purchase Fund		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	--	--	--
Charges for services.....	--	--	--
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	--	--	--
Other.....	15	1	(14)
Total Revenues.....	15	1	(14)
Expenditures:			
Current:			
General government.....	--	--	--
Public safety.....	--	--	--
Highways and streets.....	--	--	--
Sanitation.....	--	--	--
Health and human resources.....	--	--	--
Culture-recreation.....	35	7	28
Utilities or other enterprises.....	--	--	--
Miscellaneous:			
Retirement and health benefits.....	--	--	--
Other.....	--	--	--
Total Expenditures.....	35	7	28
Revenues over (under) Expenditures.....	(20)	(6)	14
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	--	--	--
Operating transfers out.....	--	--	--
Total Other Financing Sources (Uses).....	--	--	--
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(20)	(6)	14
Unreserved - Undesignated Fund Balances - July 1.....	20	46	26
Unreserved Undesignated Fund Balances - June 30 (Budgetary Basis).....	\$ --	40	\$ 40
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above.....		--	
Expenditures - prior year encumbrances.....		(4)	
Accrued payroll .....		--	
Decrease (increase) in reserved for encumbrances.....		4	
Operating transfers out - prior year encumbrances.....		--	
Unreserved - Undesignated Fund Balances - June 30 (GAAP Basis).....		40	
Reserved for Encumbrances - June 30.....		--	
Fund Balances - June 30 (GAAP Basis).....		\$ 40	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts In thousands )

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Hanauma Bay Nature Preserve Fund			Community Development Fund		
Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
3,000	2,543	(457)	1,737	11,444	9,707
--	--	--	--	--	--
--	--	--	--	--	--
980	999	19	--	--	--
3,980	3,542	(438)	1,737	11,444	9,707
--	--	--	--	--	--
271	271	--	889	440	449
--	--	--	--	--	--
--	--	--	--	--	--
2,117	1,937	180	101	69	32
--	--	--	1,000	1,000	--
291	291	--	--	--	--
10	2	8	--	--	--
2,689	2,501	188	1,990	1,509	481
1,291	1,041	(250)	(253)	9,935	10,188
--	--	--	--	--	--
(573)	(573)	--	--	--	--
(573)	(573)	--	--	--	--
718	468	(250)	(253)	9,935	10,188
1,250	1,443	193	253	(1,510)	(1,763)
\$ 1,968	1,911	\$ (57)	\$ --	8,425	\$ 8,425
	113			17	
	(196)			(718)	
	--			--	
	86			704	
	--			(9,251)	
	1,914			(823)	
	113			903	
	\$ 2,027			\$ 80	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

( Page 7 of 12 )

	Golf Fund		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	--	--	--
Charges for services.....	6,732	6,207	(525)
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	--	--	--
Other.....	4,101	3,724	(377)
Total Revenues.....	10,833	9,931	(902)
Expenditures:			
Current:			
General government.....	--	--	--
Public safety.....	--	--	--
Highways and streets.....	--	--	--
Sanitation.....	--	--	--
Health and human resources.....	--	--	--
Culture-recreation.....	7,650	6,864	786
Utilities or other enterprises.....	--	--	--
Miscellaneous:			
Retirement and health benefits.....	832	832	--
Other.....	277	16	261
Total Expenditures.....	8,759	7,712	1,047
Revenues over (under) Expenditures.....	2,074	2,219	145
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	7,291	7,291	--
Operating transfers out.....	(9,643)	(9,643)	--
Total Other Financing Sources (Uses).....	(2,352)	(2,352)	--
Revenues and Other Sources over (under)			
Expenditures and Other Uses.....	(278)	(133)	145
Unreserved - Undesignated Fund Balances - July 1.....	278	105	(173)
Unreserved Undesignated Fund Balances - June 30 (Budgetary Basis).....	\$ --	(28)	\$ (28)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above.....		257	
Expenditures - prior year encumbrances.....		(350)	
Accrued payroll .....		--	
Decrease (Increase) in reserved for encumbrances.....		95	
Operating transfers out - prior year encumbrances.....		--	
Unreserved - Undesignated Fund Balances - June 30 (GAAP Basis).....		(26)	
Reserved for Encumbrances - June 30.....		259	
Fund Balances - June 30 (GAAP Basis).....		\$ 233	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

( Page 8 of 12 )

Special Events Fund			Special Projects Fund		
Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
1,772	1,674	(98)	6,222	4,414	(1,808)
--	--	--	--	--	--
10	14	4	--	--	--
4	36	32	--	--	--
4,477	4,485	8	128	60	(68)
6,263	6,209	(54)	6,350	4,474	(1,876)
145	144	1	990	990	--
--	--	--	846	351	495
--	--	--	185	60	125
--	--	--	--	--	--
7,345	7,199	146	3,964	3,140	824
--	--	--	3	3	--
--	--	--	--	--	--
845	845	--	--	--	--
177	55	122	--	--	--
8,512	8,243	269	5,988	4,544	1,444
(2,249)	(2,034)	215	362	(70)	(432)
--	--	--	--	--	--
5,746	5,746	--	--	--	--
(3,497)	(3,497)	--	--	--	--
2,249	2,249	--	--	--	--
--	215	215	362	(70)	(432)
--	449	449	--	(592)	(592)
\$ --	664	\$ 664	\$ 362	(662)	\$ (1,024)
	178			554	
	(197)			(1,354)	
	(15)			--	
	27			831	
	--			--	
	657			(631)	
	318			2,290	
	\$ 975			\$ 1,659	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

( Page 9 of 12 )

	Federal Grants Fund		
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	50,702	35,892	(14,810)
Charges for services.....	--	--	--
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	15	57	42
Other.....	--	27	27
Total Revenues.....	50,717	35,976	(14,741)
Expenditures:			
Current:			
General government.....	2,363	1,546	817
Public safety.....	3,513	1,293	2,220
Highways and streets.....	--	--	--
Sanitation.....	65	52	13
Health and human resources.....	20,616	13,475	7,141
Culture-recreation.....	390	252	138
Utilities or other enterprises.....	20,207	20,113	94
Miscellaneous:			
Retirement and health benefits.....	--	--	--
Other.....	--	--	--
Total Expenditures.....	47,154	36,731	10,423
Revenues over (under) Expenditures.....	3,563	(755)	(4,318)
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	--	--	--
Operating transfers out.....	--	--	--
Total Other Financing Sources (Uses).....	--	--	--
Revenues and Other Sources over (under) Expenditures and Other Uses.....	3,563	(755)	(4,318)
Unreserved - Undesignated Fund Balances - July 1.....	--	(3,034)	(3,034)
Unreserved Undesignated Fund Balances - June 30 (Budgetary Basis).....	\$ 3,563	(3,789)	\$ (7,352)
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above.....		5,256	
Expenditures - prior year encumbrances.....		(4,864)	
Accrued payroll .....		--	
Decrease (increase) in reserved for encumbrances.....		(238)	
Operating transfers out - prior year encumbrances.....		--	
Unreserved - Undesignated Fund Balances - June 30 (GAAP Basis).....		(3,635)	
Reserved for Encumbrances - June 30.....		9,355	
Fund Balances - June 30 (GAAP Basis).....		\$ 5,720	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

( Amounts in thousands )

( Page 10 of 12 )

Housing and Community Development Rehabilitation Loan Fund			Pauahi Project Expenditures Hawaii R-15 Fund		
Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
\$ --	\$ --	\$ --	\$ --	\$ --	\$ --
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
633	490	(143)	113	136	23
2,788	2,287	(501)	9	--	(9)
<u>3,421</u>	<u>2,777</u>	<u>(644)</u>	<u>122</u>	<u>136</u>	<u>14</u>
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
3,254	2,777	477	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>3,254</u>	<u>2,777</u>	<u>477</u>	<u>--</u>	<u>--</u>	<u>--</u>
<u>167</u>	<u>--</u>	<u>(167)</u>	<u>122</u>	<u>136</u>	<u>14</u>
--	--	--	--	--	--
--	--	--	--	--	--
--	--	--	--	--	--
<u>167</u>	<u>--</u>	<u>(167)</u>	<u>122</u>	<u>136</u>	<u>14</u>
--	--	--	250	229	(21)
<u>\$ 167</u>	<u>--</u>	<u>\$ (167)</u>	<u>\$ 372</u>	<u>365</u>	<u>\$ (7)</u>
	1,050			--	
	(1,051)			--	
	1			--	
	--			--	
	--			365	
	7,972			1,764	
<u>\$ 7,972</u>	<u>7,972</u>		<u>\$ 2,129</u>	<u>2,129</u>	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001

( Amounts in thousands )

( Page 11 of 12 )

Housing and Community Development Section 8 Contract Fund			
	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes.....	\$ --	\$ --	\$ --
Licenses and permits.....	--	--	--
Intergovernmental.....	36,553	26,354	(10,199)
Charges for services.....	--	--	--
Fines and forfeits.....	--	--	--
Miscellaneous:			
Reimbursements and recoveries.....	--	--	--
Interest.....	440	872	432
Other.....	--	26	26
<b>Total Revenues.....</b>	<b>36,993</b>	<b>27,252</b>	<b>(9,741)</b>
Expenditures:			
Current:			
General government.....	155	139	16
Public safety.....	--	--	--
Highways and streets.....	--	--	--
Sanitation.....	--	--	--
Health and human resources.....	37,502	28,430	9,072
Culture-recreation.....	--	--	--
Utilities or other enterprises.....	--	--	--
Miscellaneous:			
Retirement and health benefits.....	--	--	--
Other.....	--	--	--
<b>Total Expenditures.....</b>	<b>37,657</b>	<b>28,569</b>	<b>9,088</b>
Revenues over (under) Expenditures.....	(664)	(1,317)	(653)
Other Financing Sources (Uses):			
Sales of general fixed assets.....	--	--	--
Operating transfers in.....	--	--	--
Operating transfers out.....	--	--	--
<b>Total Other Financing Sources (Uses).....</b>	<b>--</b>	<b>--</b>	<b>--</b>
Revenues and Other Sources over (under) Expenditures and Other Uses.....	(664)	(1,317)	(653)
Unreserved - Undesignated Fund Balances - July 1.....	665	50	(615)
Unreserved Undesignated Fund Balances - June 30 (Budgetary Basis).....	<u>\$ 1</u>	<u>(1,267)</u>	<u>\$ (1,268)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above.....		2,658	
Expenditures - prior year encumbrances.....		(9,986)	
Accrued payroll .....		--	
Decrease (Increase) in reserved for encumbrances.....		8,631	
Operating transfers out - prior year encumbrances.....		--	
Unreserved - Undesignated Fund Balances - June 30 (GAAP Basis).....		36	
Reserved for Encumbrances - June 30.....		4,113	
Non-budgeted funds, Fund balances - June 30.....		--	
<b>Fund Balances - June 30 (GAAP Basis).....</b>		<b><u>\$ 4,149</u></b>	

CITY AND COUNTY OF HONOLULU  
SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
-- BUDGET AND ACTUAL --  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
( Amounts in thousands )

( Page 12 of 12 )

Leasehold Conversion Fund			Totals		
Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
\$ --	\$ --	\$ --	\$ 64,257	\$ 68,888	\$ 4,631
--	--	--	26,678	29,446	2,768
--	--	--	95,214	78,104	(17,110)
--	--	--	16,774	15,882	(892)
--	--	--	229	207	(22)
--	--	--	328	433	105
--	3	3	1,205	1,594	389
--	38	38	13,964	14,765	801
--	41	41	218,649	209,319	(9,330)
--	--	--	19,613	17,450	2,163
--	--	--	25,818	22,826	2,992
--	--	--	12,868	12,329	539
--	--	--	620	512	108
--	--	--	65,670	48,038	17,632
--	--	--	18,040	16,762	1,278
--	--	--	22,976	22,756	220
--	--	--	8,667	8,594	73
--	--	--	1,697	1,227	470
--	--	--	175,969	150,494	25,475
--	41	41	42,680	58,825	16,145
--	--	--	126	140	14
--	--	--	13,037	14,309	1,272
--	--	--	(64,025)	(63,855)	170
--	--	--	(50,862)	(49,406)	1,456
--	41	41	(8,182)	9,419	17,601
45	46	1	20,190	20,047	(143)
\$ 45	87	\$ 42	\$ 12,008	29,466	\$ 17,458
--	--	--	--	12,262	--
--	--	--	--	(20,996)	--
--	--	--	--	(15)	--
--	--	--	--	10,537	--
--	--	--	--	(9,251)	--
--	87	--	--	22,003	--
--	--	--	--	29,834	--
--	--	--	--	7,146	--
\$	87	--	\$	58,983	--

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 14,750	\$ 9,883
Receivable:		
Public Utilities .....	11,405	--
Intergovernmental .....	3,898	4,092
Due from other fund:		
Sewer Fund .....	--	1
Solid Waste Fund - Refuse General Account .....	12	--
Total Assets .....	<u>\$ 30,065</u>	<u>\$ 13,976</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 283	\$ 375
Accounts payable .....	345	--
Accrued payroll and fringes .....	330	--
Deferred revenue .....	11,405	--
Total Liabilities .....	<u>12,363</u>	<u>375</u>
Fund Balance:		
Reserved for encumbrances .....	2,122	2,671
Unreserved - undesignated .....	15,580	10,930
Total Fund Balance .....	<u>17,702</u>	<u>13,601</u>
Total Liabilities and Fund Balance .....	<u>\$ 30,065</u>	<u>\$ 13,976</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 2)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Taxes .....	\$ 64,257	\$ 68,888	\$ 4,631
Licenses and permits .....	23,767	26,561	2,794
Charges for services .....	3,877	4,249	372
Fines and forfeits .....	9	6	(3)
Miscellaneous:			
Reimbursements and recoveries .....	318	419	101
Other .....	1,310	2,781	1,471
Total Revenues .....	<u>93,538</u>	<u>102,904</u>	<u>9,366</u>
Expenditures:			
Current:			
General government:			
Customer Services .....	26	19	7
Design and Construction .....	2,868	2,711	157
Facility Maintenance .....	7,268	7,257	11
Planning and Permitting .....	1,297	1,241	56
Total General government .....	<u>11,459</u>	<u>11,228</u>	<u>231</u>
Public safety:			
Police .....	17,487	17,394	93
Transportation Services .....	3,398	3,223	175
Total Public safety .....	<u>20,885</u>	<u>20,617</u>	<u>268</u>
Highways and streets:			
Facility Maintenance .....	12,663	12,265	398
Sanitation:			
Environmental Services .....	555	460	95
Utilities or other enterprises:			
Transportation Services .....	1,769	1,643	126
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	6,320	6,320	--
Other:			
Provisional .....	1,171	1,104	67
Total Miscellaneous .....	<u>7,491</u>	<u>7,424</u>	<u>67</u>
Total Expenditures .....	<u>54,822</u>	<u>53,637</u>	<u>1,185</u>
Revenues over Expenditures .....	<u>38,716</u>	<u>49,267</u>	<u>10,551</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Other Financing Source (Uses):			
Sales of general fixed assets .....	126	140	14
Operating transfers out:			
Debt service - Budget and Fiscal Services .....	(15,119)	(14,949)	170
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	(4,700)	(4,700)	--
Bus subsidy - Budget and Fiscal Services .....	(25,317)	(25,317)	--
Total Operating transfers out.....	(45,136)	(44,966)	170
Total Other Financing Source (Uses) .....	(45,010)	(44,826)	184
Revenues and Other Source over (under) Expenditures and Other Uses .....	(6,294)	4,441	10,735
Unreserved - Undesignated Fund Balance - July 1 .....	6,300	10,930	4,630
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis).....	<u>\$ 6</u>	15,371	<u>\$ 15,365</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		1,854	
Expenditures - prior year encumbrances .....		(2,194)	
Decrease in reserved for encumbrances .....		549	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		15,580	
Reserved for Encumbrances - June 30 .....		2,122	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 17,702</u>	

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 2)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>TAXES</u></b>			
<b>GROSS RECEIPTS BUSINESS TAXES:</b>			
Public Utility Franchise Tax .....	\$ 19,457	\$ 22,810	\$ 3,353
<b>SELECTIVE SALES AND USE TAXES:</b>			
Fuel Tax .....	44,800	46,078	1,278
<b>TOTAL TAXES .....</b>	<b>64,257</b>	<b>68,888</b>	<b>4,631</b>
<b><u>LICENSES AND PERMITS</u></b>			
<b>NON-BUSINESS LICENSES AND PERMITS:</b>			
Building Structures and Equipment Permits -			
Grading, Excavations and Fills .....	36	48	12
Motor Vehicle Licenses and Fees -			
Motor Vehicle Weight Tax .....	22,724	25,228	2,504
Other Vehicle Licenses and Fees .....	749	1,036	287
Street and Sidewalk Use - Taxi Stand .....	8	9	1
Freight Curb and Passenger Loading Zone Permits .....	204	209	5
Excavation and Repair of Streets and Sidewalks .....	46	31	(15)
<b>TOTAL LICENSES AND PERMITS .....</b>	<b>23,767</b>	<b>26,561</b>	<b>2,794</b>
<b><u>CHARGES FOR SERVICES</u></b>			
<b>HIGHWAYS AND STREETS:</b>			
Street and Sidewalk Charges .....	62	34	(28)
Street Parking Meter Collections .....	2,231	2,218	(13)
Other Parking Meter Collections .....	1,569	1,975	406
Other .....	15	22	7
<b>TOTAL CHARGES FOR SERVICES .....</b>	<b>3,877</b>	<b>4,249</b>	<b>372</b>
<b><u>FINES AND FORFEITS</u></b>			
<b>FINES:</b>			
Fines .....	9	6	(3)
<b>TOTAL FINES AND FORFEITS .....</b>	<b>9</b>	<b>6</b>	<b>(3)</b>
<b><u>MISCELLANEOUS</u></b>			
<b>REIMBURSEMENTS AND RECOVERIES:</b>			
Reimbursement from State for			
Traffic Signal Maintenance .....	300	410	110
Recovery of Overhead Charges .....	13	8	(5)
Recovery of Embezzlement Loss .....	--	1	1
Recovery of Overtime Inspection .....	5	--	(5)
<b>Total Reimbursements and Recoveries .....</b>	<b>318</b>	<b>419</b>	<b>101</b>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>OTHER MISCELLANEOUS:</b>			
Rents:			
Rental for Use of Land .....	69	65	(4)
Total Rents .....	69	65	(4)
Concessions:			
Kekaulike Parking Lot .....	110	29	(81)
Marin Towers Garage .....	152	220	68
Harbor Court Garage .....	332	187	(145)
Kukul Plaza Garage .....	607	718	111
Total Concessions .....	1,201	1,154	(47)
Contributions from Private Sources:			
Developers'/Utilities'/Others'			
Share of Construction .....	--	1	1
Total Contributions from Private Sources .....	--	1	1
Other:			
Vacation Accumulation Deposits .....	--	64	64
Sundry Refunds .....	40	1,497	1,457
Total Other .....	40	1,561	1,521
Total Other Miscellaneous .....	1,310	2,781	1,471
<b>TOTAL MISCELLANEOUS .....</b>	<b>1,628</b>	<b>3,200</b>	<b>1,572</b>
<b>TOTAL REVENUES .....</b>	<b>93,538</b>	<b>102,904</b>	<b>9,366</b>
<b><u>OTHER FINANCING SOURCES</u></b>			
<b><u>SALES OF GENERAL FIXED ASSETS:</u></b>			
Sales of Fixed Assets .....	25	--	(25)
Compensation for Loss of Fixed Assets .....	101	140	39
<b>TOTAL OTHER FINANCING SOURCES .....</b>	<b>126</b>	<b>140</b>	<b>14</b>
<b>TOTAL HIGHWAY FUND .....</b>	<b>\$ 93,664</b>	<b>\$ 103,044</b>	<b>\$ 9,380</b>

CITY AND COUNTY OF HONOLULU  
HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED  
VEHICLES REVOLVING FUND

BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 925	\$ 1,063
Total Asset .....	<u>\$ 925</u>	<u>\$ 1,063</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 15	\$ 11
Accounts payable .....	<u>30</u>	<u>--</u>
Total Liabilities .....	<u>45</u>	<u>11</u>
Fund Balance:		
Reserved for encumbrances .....	558	370
Unreserved - undesignated .....	<u>322</u>	<u>682</u>
Total Fund Balance .....	<u>880</u>	<u>1,052</u>
Total Liabilities and Fund Balance .....	<u>\$ 925</u>	<u>\$ 1,063</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED  
VEHICLES REVOLVING FUND**

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
**BUDGET AND ACTUAL**  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Charges for services .....	\$ 1,264	\$ 1,086	\$ (178)
Miscellaneous:			
Other .....	--	12	12
Total Revenues .....	<u>1,264</u>	<u>1,098</u>	<u>(166)</u>
Expenditures:			
Current:			
General government:			
Customer Services .....	994	935	59
Culture-recreation:			
Parks and Recreation .....	500	500	--
Total Expenditures .....	<u>1,494</u>	<u>1,435</u>	<u>59</u>
Revenue under Expenditures .....	(230)	(337)	(107)
Other Financing Use:			
Operating transfer out:			
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	(75)	(75)	--
Revenue under Expenditures and Other Use .....	(305)	(412)	(107)
Unreserved - Undesignated Fund Balance - July 1 .....	500	682	182
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 195</u>	270	<u>\$ 75</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		259	
Expenditures - prior year encumbrances .....		(19)	
Increase in reserved for encumbrances .....		<u>(188)</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		322	
Reserved for Encumbrances - June 30 .....		<u>558</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 880</u>	

CITY AND COUNTY OF HONOLULU  
HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED  
VEHICLES REVOLVING FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>CHARGES FOR SERVICES</b>			
<b>HIGHWAYS AND STREETS:</b>			
Highway Beautification Fees .....	\$ 1,264	\$ 1,086	\$ (178)
<b>MISCELLANEOUS</b>			
<b>OTHER MISCELLANEOUS:</b>			
Other:			
Vacation Accumulation Deposits .....	--	2	2
Sundry Refunds .....	--	10	10
<b>TOTAL MISCELLANEOUS .....</b>	<b>--</b>	<b>12</b>	<b>12</b>
 <b>TOTAL HIGHWAY BEAUTIFICATION AND DISPOSAL OF ABANDONED VEHICLES REVOLVING FUND REVENUES .....</b>	 <b>\$ 1,264</b>	 <b>\$ 1,098</b>	 <b>\$ (166)</b>

CITY AND COUNTY OF HONOLULU  
**BIKEWAY FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 730	\$ 428
Total Asset .....	<u>\$ 730</u>	<u>\$ 428</u>
<b><u>LIABILITY AND FUND BALANCE</u></b>		
Liability:		
Checks payable .....	\$ 4	\$ --
Total Liability .....	<u>4</u>	<u>--</u>
Fund Balance:		
Reserved for encumbrances .....	1	15
Unreserved - undesignated .....	<u>725</u>	<u>413</u>
Total Fund Balance .....	<u>726</u>	<u>428</u>
Total Liability and Fund Balance .....	<u>\$ 730</u>	<u>\$ 428</u>

CITY AND COUNTY OF HONOLULU  
**BIKEWAY FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits .....	\$ 466	\$ 348	\$ (118)
Miscellaneous:			
Other .....	--	149	149
Total Revenues .....	466	497	31
Expenditures:			
Current:			
Public safety:			
Transportation Services .....	303	294	9
Highways and streets:			
Facility Maintenance .....	20	4	16
Total Expenditures .....	323	298	25
Revenue over Expenditures .....	143	199	56
Other Financing Source (Uses):			
Operating transfer in .....	--	809	809
Operating transfers out:			
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	(41)	(41)	--
Capital improvements:			
Budget and Fiscal Services .....	(1)	(1)	--
Design and Construction .....	(655)	(655)	--
Total Operating transfers out .....	(697)	(697)	--
Total Other Financing Source (Uses) .....	(697)	112	809
Revenue and Other Source over (under) Expenditures and Other Uses .....	(554)	311	865
Unreserved - Undesignated Fund Balance - July 1 .....	554	413	(141)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	\$ --	724	\$ 724
Adjustments to conform with generally accepted accepted accounting principles:			
Encumbrances included above .....		1	
Expenditures - prior year encumbrances .....		(14)	
Decrease in reserved for encumbrances .....		14	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		725	
Reserved for Encumbrances - June 30 .....		1	
Fund Balance - June 30 (GAAP Basis) .....		\$ 726	

CITY AND COUNTY OF HONOLULU  
**BIKEWAY FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>LICENSES AND PERMITS</u>			
<u>NON-BUSINESS LICENSES AND PERMITS:</u>			
Other Vehicle Licenses and Fees -			
Bicycle Licenses .....	\$ 466	\$ 348	\$ (118)
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Other:			
Sundry Refunds .....	--	149	149
 TOTAL REVENUE .....	 466	 497	 31
<u>OTHER FINANCING SOURCE</u>			
<u>TRANSFER FROM OTHER FUND:</u>			
Other Transfer -			
Capital Projects Fund .....	--	809	809
 TOTAL OTHER FINANCING SOURCE .....	 --	 809	 809
 TOTAL BIKEWAY FUND .....	 \$ 466	 \$ 1,306	 \$ 840

CITY AND COUNTY OF HONOLULU  
**PARKS AND PLAYGROUNDS FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 4,959	\$ 8,421
Total Asset .....	<u>\$ 4,959</u>	<u>\$ 8,421</u>
<b><u>FUND BALANCE</u></b>		
Fund Balance:		
Unreserved - undesignated .....	\$ 4,959	\$ 8,421
Total Fund Balance .....	<u>\$ 4,959</u>	<u>\$ 8,421</u>

CITY AND COUNTY OF HONOLULU  
**PARKS AND PLAYGROUNDS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Other .....	\$ 96	\$ 112	\$ 16
Total Revenue .....	<u>96</u>	<u>112</u>	<u>16</u>
Other Financing Source (Uses):			
Operating transfer In .....	--	463	463
Operating transfers out:			
Capital improvements:			
Budget and Fiscal Services .....	(1)	(1)	--
Design and Construction .....	<u>(4,036)</u>	<u>(4,036)</u>	<u>--</u>
Total Other Financing Source (Uses) .....	<u>(4,037)</u>	<u>(3,574)</u>	<u>463</u>
Revenue and Other Source under Other Uses .....	(3,941)	(3,462)	479
Unreserved - Undesignated Fund Balance - July 1 .....	<u>8,400</u>	<u>8,421</u>	<u>21</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 4,459</u>	4,959	<u>\$ 500</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		<u>--</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		4,959	
Reserved for Encumbrances - June 30 .....		<u>--</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 4,959</u>	

CITY AND COUNTY OF HONOLULU  
**PARKS AND PLAYGROUNDS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>MISCELLANEOUS</u></b>			
<b>OTHER MISCELLANEOUS:</b>			
Contributions from Private Sources:			
Subdividers' Contributions for			
Parks and Playgrounds .....	\$ 96	\$ 112	\$ 16
<b>TOTAL REVENUE .....</b>	<b>96</b>	<b>112</b>	<b>16</b>
<b><u>OTHER FINANCING SOURCE</u></b>			
<b>TRANSFER FROM OTHER FUND:</b>			
Other Transfer -			
Capital Projects Fund .....	--	463	463
<b>TOTAL OTHER FINANCING SOURCE .....</b>	<b>--</b>	<b>463</b>	<b>463</b>
<b>TOTAL PARKS AND PLAYGROUNDS FUND .....</b>	<b>\$ 96</b>	<b>\$ 575</b>	<b>\$ 479</b>

CITY AND COUNTY OF HONOLULU  
**FEDERAL REVENUE SHARING FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 47	\$ 47
Total Asset .....	<u>\$ 47</u>	<u>\$ 47</u>
 <b><u>FUND BALANCE</u></b>		
Fund Balance:		
Unreserved - undesignated .....	\$ 47	\$ 47
Total Fund Balance .....	<u>\$ 47</u>	<u>\$ 47</u>

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 1,508	\$ 1,343
Total Asset .....	<u>\$ 1,508</u>	<u>\$ 1,343</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 25	\$ 27
Accounts payable .....	2	--
Accrued payroll and fringes .....	<u>7</u>	<u>--</u>
Total Liabilities .....	<u>34</u>	<u>27</u>
Fund Balance:		
Reserved for encumbrances .....	66	67
Unreserved - undesignated .....	<u>1,408</u>	<u>1,249</u>
Total Fund Balance .....	<u>1,474</u>	<u>1,316</u>
Total Liabilities and Fund Balance .....	<u>\$ 1,508</u>	<u>\$ 1,343</u>

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 2)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Licenses and permits .....	\$ 2,445	\$ 2,537	\$ 92
Charges for services .....	129	123	(6)
Fines and forfeits .....	220	201	(19)
Total Revenues .....	<u>2,794</u>	<u>2,861</u>	<u>67</u>
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services .....	2,563	1,988	575
Corporation Counsel .....	55	40	15
Total General government .....	<u>2,618</u>	<u>2,028</u>	<u>590</u>
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	379	306	73
Other:			
Provisional .....	62	50	12
Total Miscellaneous .....	<u>441</u>	<u>356</u>	<u>85</u>
Total Expenditures .....	<u>3,059</u>	<u>2,384</u>	<u>675</u>
Revenues over (under) Expenditures .....	<u>(265)</u>	<u>477</u>	<u>742</u>
Other Financing Uses:			
Operating transfers out:			
Reimbursement for central administrative			
service expenses - Budget and Fiscal Services .....	(155)	(155)	--
Other - Budget and Fiscal Services .....	(200)	(200)	--
Total Other Financing Uses .....	<u>(355)</u>	<u>(355)</u>	<u>--</u>
Revenues over (under) Expenditures and Other Uses ...	<u>(620)</u>	<u>122</u>	<u>742</u>
Unreserved - Undesignated Fund Balance - July 1 .....	<u>675</u>	<u>1,249</u>	<u>574</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 55</u>	<u>1,371</u>	<u>\$ 1,316</u>

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		65	
Expenditures - prior year encumbrances .....		(29)	
Decrease in reserved for encumbrances .....		<u>1</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		1,408	
Reserved for Encumbrances - June 30 .....		<u>66</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u><u>\$ 1,474</u></u>	

CITY AND COUNTY OF HONOLULU  
**LIQUOR COMMISSION FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>LICENSES AND PERMITS</u></b>			
<b><u>BUSINESS LICENSES AND PERMITS:</u></b>			
Alcoholic Licenses and Permits .....	\$ 2,445	\$ 2,537	\$ 92
<b><u>CHARGES FOR SERVICES</u></b>			
<b><u>GENERAL GOVERNMENT:</u></b>			
Charges for Publications, Reports, Copies, etc. ....	3	2	(1)
Fees:			
Charge for Photo I.D. ....	120	116	(4)
Other .....	<u>6</u>	<u>5</u>	<u>(1)</u>
TOTAL CHARGES FOR SERVICES .....	<u>129</u>	<u>123</u>	<u>(6)</u>
<b><u>FINES AND FORFEITS</u></b>			
<b><u>FINES:</u></b>			
Fines - Liquor Commission .....	<u>220</u>	<u>201</u>	<u>(19)</u>
TOTAL LIQUOR COMMISSION FUND REVENUES .....	<u>\$ 2,794</u>	<u>\$ 2,861</u>	<u>\$ 67</u>

CITY AND COUNTY OF HONOLULU  
**RENTAL ASSISTANCE FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 1,033	\$ 1,165
Total Asset .....	<u>\$ 1,033</u>	<u>\$ 1,165</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 8	\$ --
Due to other fund:		
Housing Development Special Fund .....	<u>--</u>	<u>25</u>
Total Liabilities .....	<u>8</u>	<u>25</u>
Fund Balance:		
Reserved for encumbrances .....	--	20
Unreserved - undesignated .....	<u>1,025</u>	<u>1,120</u>
Total Fund Balance .....	<u>1,025</u>	<u>1,140</u>
Total Liabilities and Fund Balance .....	<u>\$ 1,033</u>	<u>\$ 1,165</u>

CITY AND COUNTY OF HONOLULU  
**RENTAL ASSISTANCE FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Other .....	\$ 60	\$ 64	\$ 4
Total Revenue .....	<u>60</u>	<u>64</u>	<u>4</u>
Expenditure:			
Current:			
Health and human resources:			
Community Services .....	<u>233</u>	<u>147</u>	<u>86</u>
Total Expenditure .....	<u>233</u>	<u>147</u>	<u>86</u>
Revenue under Expenditure .....	(173)	(83)	90
Other Financing Use:			
Operating transfer out:			
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	<u>(12)</u>	<u>(12)</u>	<u>--</u>
Revenue under Expenditure and Other Use .....	(185)	(95)	90
Unreserved - Undesignated Fund Balance - July 1 .....	<u>1,000</u>	<u>1,120</u>	<u>120</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 815</u>	1,025	<u>\$ 210</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		(20)	
Decrease in reserved for encumbrances .....		<u>20</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		1,025	
Reserved for Encumbrances - June 30 .....		<u>--</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 1,025</u>	

CITY AND COUNTY OF HONOLULU  
**RENTAL ASSISTANCE FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
OTHER MISCELLANEOUS:			
Rents:			
Rental of Parking Stalls .....	\$ 60	\$ 64	\$ 4
 TOTAL RENTAL ASSISTANCE			
FUND REVENUE .....	<u>\$ 60</u>	<u>\$ 64</u>	<u>\$ 4</u>

CITY AND COUNTY OF HONOLULU  
**ZOO ANIMAL PURCHASE FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$       40	\$       50
Total Asset .....	<u>\$       40</u>	<u>\$       50</u>
<b><u>FUND BALANCE</u></b>		
Fund Balance:		
Reserved for encumbrances .....	--	4
Unreserved - undesignated .....	<u>40</u>	<u>46</u>
Total Fund Balance .....	<u>\$       40</u>	<u>\$       50</u>

CITY AND COUNTY OF HONOLULU  
**ZOO ANIMAL PURCHASE FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Other .....	\$ 15	\$ 1	\$ (14)
Total Revenue .....	<u>15</u>	<u>1</u>	<u>(14)</u>
Expenditure:			
Current:			
Culture-recreation:			
Enterprise Services .....	35	7	28
Revenue under Expenditure .....	(20)	(6)	14
Unreserved - Undesignated Fund Balance - July 1 .....	<u>20</u>	<u>46</u>	<u>26</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ --</u>	40	<u>\$ 40</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		(4)	
Decrease in reserved for encumbrances .....		<u>4</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		40	
Reserved for Encumbrances - June 30 .....		<u>--</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 40</u>	

CITY AND COUNTY OF HONOLULU  
**ZOO ANIMAL PURCHASE FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenue</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<u>MISCELLANEOUS</u>			
OTHER MISCELLANEOUS:			
Other:			
Sale of Animals .....	\$ 15	\$ 1	\$ (14)
 TOTAL ZOO ANIMAL PURCHASE FUND REVENUE .....	 \$ 15	 \$ 1	 \$ (14)

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 2,122	\$ 1,653
Total Asset .....	<u>\$ 2,122</u>	<u>\$ 1,653</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 71	\$ 11
Accounts payable .....	8	--
Accrued payroll and fringes .....	<u>16</u>	<u>--</u>
Total Liabilities .....	<u>95</u>	<u>11</u>
Fund Balance:		
Reserved for encumbrances .....	113	199
Unreserved - undesignated .....	<u>1,914</u>	<u>1,443</u>
Total Fund Balance .....	<u>2,027</u>	<u>1,642</u>
Total Liabilities and Fund Balance .....	<u>\$ 2,122</u>	<u>\$ 1,653</u>

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenue:			
Charges for services .....	\$ 3,000	\$ 2,543	\$ (457)
Miscellaneous:			
Other .....	980	999	19
Total Revenue .....	<u>3,980</u>	<u>3,542</u>	<u>(438)</u>
Expenditures:			
Current:			
Public safety:			
Emergency Services .....	271	271	--
Culture-recreation:			
Enterprise Services .....	12	12	--
Parks and Recreation .....	2,105	1,925	180
Total Culture-recreation .....	<u>2,117</u>	<u>1,937</u>	<u>180</u>
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	291	291	--
Other:			
Provisional .....	10	2	8
Total Miscellaneous .....	<u>301</u>	<u>293</u>	<u>8</u>
Total Expenditures .....	<u>2,689</u>	<u>2,501</u>	<u>188</u>
Revenue over Expenditures .....	<u>1,291</u>	<u>1,041</u>	<u>(250)</u>
Other Financing Uses:			
Operating transfers out:			
Debt service - Budget and Fiscal Services .....	(415)	(415)	--
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	(158)	(158)	--
Total Other Financing Uses .....	<u>(573)</u>	<u>(573)</u>	<u>--</u>
Revenue over Expenditures and Other Uses .....	718	468	(250)
Unreserved - Undesignated Fund Balance - July 1 .....	<u>1,250</u>	<u>1,443</u>	<u>193</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 1,968</u>	1,911	<u>\$ (57)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		113	
Expenditures - prior year encumbrances .....		(196)	
Decrease in reserved for encumbrances .....		<u>86</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		1,914	
Reserved for Encumbrances - June 30 .....		<u>113</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 2,027</u>	

CITY AND COUNTY OF HONOLULU  
**HANAUMA BAY NATURE PRESERVE FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
<u>CHARGES FOR SERVICES</u>			
<u>HIGHWAYS AND STREETS:</u>			
Hanauma Bay Parking .....	\$ 250	\$ 232	\$ (18)
<u>CULTURE-RECREATION:</u>			
Miscellaneous:			
Hanauma Bay Admission Fee .....	2,750	2,311	(439)
 TOTAL CHARGES FOR SERVICES .....	 3,000	 2,543	 (457)
<u>MISCELLANEOUS</u>			
<u>OTHER MISCELLANEOUS:</u>			
Concessions:			
Parks and Recreation Facilities:			
Hanauma Beach Park Concession .....	180	281	101
Hanauma Shuttle Bus Service .....	67	189	122
Hanauma Snorkling Rental .....	733	529	(204)
 TOTAL MISCELLANEOUS .....	 980	 999	 19
 TOTAL HANAUMA BAY NATURE PRESERVE FUND REVENUES .....	 \$ 3,980	 \$ 3,542	 \$ (438)

CITY AND COUNTY OF HONOLULU  
**SPECIAL RESERVE FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 5,034	\$ 5,034
Total Asset .....	<u>\$ 5,034</u>	<u>\$ 5,034</u>
<b><u>FUND BALANCE</u></b>		
Fund Balance:		
Unreserved - undesignated .....	\$ 5,034	\$ 5,034
Total Fund Balance .....	<u>\$ 5,034</u>	<u>\$ 5,034</u>

CITY AND COUNTY OF HONOLULU  
**COMMUNITY DEVELOPMENT FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 89	\$ 97
Total Asset .....	<u>\$ 89</u>	<u>\$ 97</u>
<b><u>LIABILITY AND FUND BALANCE</u></b>		
Liability:		
Checks payable .....	\$ 9	\$ --
Total Liability .....	<u>9</u>	<u>--</u>
Fund Balance:		
Reserved for encumbrances .....	903	1,607
Unreserved - undesignated .....	<u>(823)</u>	<u>(1,510)</u>
Total Fund Balance .....	<u>80</u>	<u>97</u>
Total Liability and Fund Balance .....	<u>\$ 89</u>	<u>\$ 97</u>

CITY AND COUNTY OF HONOLULU  
**COMMUNITY DEVELOPMENT FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Intergovernmental .....	\$ 1,737	\$ 11,444	\$ 9,707
Total Revenues .....	<u>1,737</u>	<u>11,444</u>	<u>9,707</u>
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services .....	579	284	295
Design and Construction .....	75	45	30
Mayor .....	<u>235</u>	<u>111</u>	<u>124</u>
Total General government .....	889	440	449
Health and human resources:			
Community Services .....	101	69	32
Utilities or other enterprises:			
Transportation Services .....	<u>1,000</u>	<u>1,000</u>	<u>--</u>
Total Expenditures .....	<u>1,990</u>	<u>1,509</u>	<u>481</u>
Revenues over (under) Expenditures .....	(253)	9,935	10,188
Unreserved - Undesignated Fund Balance - July 1 .....	<u>253</u>	<u>(1,510)</u>	<u>(1,763)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ --</u>	8,425	<u>\$ 8,425</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		17	
Expenditures - prior year encumbrances .....		(718)	
Decrease in reserved for encumbrances .....		704	
Operating transfers out - prior year encumbrances .....		<u>(9,251)</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		(823)	
Reserved for Encumbrances - June 30 .....		<u>903</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 80</u>	

CITY AND COUNTY OF HONOLULU  
**COMMUNITY DEVELOPMENT FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b><u>INTERGOVERNMENTAL</u></b>			
<b>FEDERAL GRANTS:</b>			
Community Development Block Grant .....	\$ 1,737	\$ 11,438	\$ 9,701
Home Grant .....	<u>--</u>	<u>6</u>	<u>\$ 6</u>
 TOTAL COMMUNITY DEVELOPMENT FUND REVENUES .....	 <u>\$ 1,737</u>	 <u>\$ 11,444</u>	 <u>\$ 9,707</u>

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 318	\$ 538
Total Asset .....	<u>\$ 318</u>	<u>\$ 538</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 12	\$ 75
Accounts payable .....	30	--
Due to other fund:		
Special Events Fund .....	--	4
Accrued payroll and fringes .....	<u>43</u>	<u>--</u>
Total Liabilities .....	<u>85</u>	<u>79</u>
Fund Balance:		
Reserved for encumbrances .....	259	354
Unreserved - undesignated .....	<u>(26)</u>	<u>105</u>
Total Fund Balance .....	<u>233</u>	<u>459</u>
Total Liabilities and Fund Balance .....	<u>\$ 318</u>	<u>\$ 538</u>

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 2)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Charges for services .....	\$ 6,732	\$ 6,207	\$ (525)
Miscellaneous:			
Interest .....	--	--	--
Other .....	4,101	3,724	(377)
Total Revenues .....	<u>10,833</u>	<u>9,931</u>	<u>(902)</u>
Expenditures:			
Current:			
Culture-recreation:			
Enterprise Services .....	7,650	6,864	786
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	832	832	--
Other:			
Provisional .....	277	16	261
Total Miscellaneous .....	<u>1,109</u>	<u>848</u>	<u>261</u>
Total Expenditures .....	<u>8,759</u>	<u>7,712</u>	<u>1,047</u>
Revenues over Expenditures .....	2,074	2,219	145
Other Finance Source (Uses):			
Operating transfer in .....	7,291	7,291	--
Operating transfers out:			
Debt service - Budget and Fiscal Services .....	(8,762)	(8,762)	--
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	(881)	(881)	--
Total Other Financing Source (Uses) .....	<u>(2,352)</u>	<u>(2,352)</u>	<u>--</u>
Revenues and Other Source under Expenditures and Other Uses .....	(278)	(133)	145
Unreserved - Undesignated Fund Balance - July 1 .....	<u>278</u>	<u>105</u>	<u>(173)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ --</u>	<u>(28)</u>	<u>\$ (28)</u>

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		257	
Expenditures - prior year encumbrances .....		(350)	
Decrease in reserved for encumbrances .....		<u>95</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		(26)	
Reserved for Encumbrances - June 30 .....		<u>259</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u><u>\$ 233</u></u>	

CITY AND COUNTY OF HONOLULU  
**GOLF FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>CHARGES FOR SERVICES</u></b>			
<b><u>CULTURE-RECREATION:</u></b>			
Golf Course Fees .....	\$ 6,732	\$ 6,207	\$ (525)
<b>TOTAL CHARGES FOR SERVICES .....</b>	<b>6,732</b>	<b>6,207</b>	<b>(525)</b>
<b><u>MISCELLANEOUS</u></b>			
<b><u>OTHER MISCELLANEOUS:</u></b>			
Rents:			
Golf Cart Rentals .....	3,478	3,123	(355)
<b>Total Rents .....</b>	<b>3,478</b>	<b>3,123</b>	<b>(355)</b>
Concessions:			
Food Concession - Golf Courses .....	252	244	(8)
Golf Course - Pro Shops .....	11	10	(1)
Golf Course - Driving Range .....	360	347	(13)
<b>Total Concessions .....</b>	<b>623</b>	<b>601</b>	<b>(22)</b>
<b>Total Other Miscellaneous .....</b>	<b>4,101</b>	<b>3,724</b>	<b>(377)</b>
<b>TOTAL MISCELLANEOUS .....</b>	<b>4,101</b>	<b>3,724</b>	<b>(377)</b>
<b>TOTAL REVENUES .....</b>	<b>10,833</b>	<b>9,931</b>	<b>(902)</b>
<b><u>OTHER FINANCING SOURCE</u></b>			
<b><u>TRANSFER FROM OTHER FUND:</u></b>			
Other Transfer -			
General Fund .....	7,291	7,291	--
<b>TOTAL GOLF FUND .....</b>	<b>\$ 18,124</b>	<b>\$ 17,222</b>	<b>\$ (902)</b>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 1,129	\$ 833
Due from other fund:		
Golf Fund .....	<u>--</u>	<u>4</u>
Total Assets .....	<u>\$ 1,129</u>	<u>\$ 837</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 14	\$ 43
Accounts payable .....	66	--
Accrued payroll and fringes .....	<u>74</u>	<u>--</u>
Total Liabilities .....	<u>154</u>	<u>43</u>
Fund Balance:		
Reserved for encumbrances .....	318	345
Unreserved - undesignated .....	<u>657</u>	<u>449</u>
Total Fund Balance .....	<u>975</u>	<u>794</u>
Total Liabilities and Fund Balance .....	<u>\$ 1,129</u>	<u>\$ 837</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 2)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Charges for services .....	\$ 1,772	\$ 1,674	\$ (98)
Miscellaneous:			
Reimbursements and recoveries .....	10	14	4
Interest .....	4	36	32
Other .....	4,477	4,485	8
Total Revenues .....	<u>6,263</u>	<u>6,209</u>	<u>(54)</u>
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services .....	145	144	1
Culture-recreation:			
Enterprise Services .....	7,345	7,199	146
Miscellaneous:			
Retirement and health benefits:			
Provisional .....	845	845	--
Other:			
Provisional .....	177	55	122
Total Miscellaneous .....	<u>1,022</u>	<u>900</u>	<u>122</u>
Total Expenditures .....	<u>8,512</u>	<u>8,243</u>	<u>269</u>
Revenues under Expenditures .....	(2,249)	(2,034)	215
Other Finance Source (Uses):			
Operating transfer In .....	5,746	5,746	--
Operating transfers out:			
Debt service - Budget and Fiscal Services .....	(2,921)	(2,921)	--
Reimbursement for central administrative service expenses - Budget and Fiscal Services .....	(576)	(576)	--
Total Other Financing Source (Uses) .....	<u>2,249</u>	<u>2,249</u>	<u>--</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues and Other Source over over Expenditures and Other Uses .....	--	215	215
Unreserved - Undesignated Fund Balance - July 1 .....	<u>--</u>	<u>449</u>	<u>449</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ --</u>	664	<u>\$ 664</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		178	
Expenditures - prior year encumbrances .....		(197)	
Accrued retroactive payroll .....		(15)	
Decrease in reserved for encumbrances .....		<u>27</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		657	
Reserved for Encumbrances - June 30 .....		<u>318</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 975</u>	

CITY AND COUNTY OF HONOLULU  
SPECIAL EVENTS FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

(Page 1 of 2)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>CHARGES FOR SERVICES</u></b>			
<b>GENERAL GOVERNMENT:</b>			
Surcharge on Auditorium Tickets .....	\$ 85	\$ 84	\$ (1)
<b>CULTURE-RECREATION:</b>			
Honolulu Zoo .....	<u>1,687</u>	<u>1,590</u>	<u>(97)</u>
<b>TOTAL CHARGES FOR SERVICES .....</b>	<u>1,772</u>	<u>1,674</u>	<u>(98)</u>
<b><u>MISCELLANEOUS</u></b>			
<b>REIMBURSEMENTS AND RECOVERIES:</b>			
Recovery of Utility Charges .....	10	14	4
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	4	36	32
<b>OTHER MISCELLANEOUS:</b>			
Rents:			
Rental for Use of Land .....	20	20	--
Rental of Auditorium Facilities .....	1,316	1,325	9
Auditorium Equipment Rental .....	783	727	(56)
Rental of Other Properties:			
Parking Stalls .....	<u>7</u>	<u>2</u>	<u>(5)</u>
<b>Total Rents .....</b>	<u>2,126</u>	<u>2,074</u>	<u>(52)</u>
Concessions:			
Food Concession - Auditoriums .....	418	492	74
Food Concession - Honolulu Zoo .....	60	60	--
Food Concession - Parks .....	250	181	(69)
Parking - Auditoriums .....	850	1,038	188
Camera Shop - Auditoriums .....	4	4	--
Novelty Sales Concession - Auditoriums .....	39	32	(7)
Other - Auditoriums .....	4	3	(1)
Beach Concession - Parks .....	340	301	(39)
Pouring Rights .....	367	253	(114)
Other Concessions .....	<u>19</u>	<u>15</u>	<u>(4)</u>
<b>Total Concessions .....</b>	<u>2,351</u>	<u>2,379</u>	<u>28</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL EVENTS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Other:			
Vacation Accumulation Deposits .....	--	32	32
Total Other Miscellaneous .....	4,477	4,485	8
TOTAL MISCELLANEOUS .....	4,491	4,535	44
TOTAL REVENUES .....	6,263	6,209	(54)
<u>OTHER FINANCING SOURCE</u>			
TRANSFER FROM OTHER FUND:			
Other Transfer -			
General Fund .....	5,746	5,746	--
TOTAL SPECIAL EVENTS FUND .....	<u>\$ 12,009</u>	<u>\$ 11,955</u>	<u>\$ (54)</u>

CITY AND COUNTY OF HONOLULU  
**FARMERS HOME ADMINISTRATION LOAN FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 46	\$ 46
Total Asset .....	<u>\$ 46</u>	<u>\$ 46</u>
<b><u>FUND BALANCE</u></b>		
Fund Balance:		
Unreserved - undesignated .....	\$ 46	\$ 46
Total Fund Balance .....	<u>\$ 46</u>	<u>\$ 46</u>

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 1,491	\$ 2,612
Receivable:		
Intergovernmental .....	<u>687</u>	<u>115</u>
<b>Total Assets .....</b>	<b><u>\$ 2,178</u></b>	<b><u>\$ 2,727</u></b>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 167	\$ 18
Accounts payable .....	9	--
Deferred revenue .....	<u>343</u>	<u>180</u>
<b>Total Liabilities .....</b>	<b><u>519</u></b>	<b><u>198</u></b>
Fund Balance:		
Reserved for encumbrances .....	2,290	3,121
Unreserved - undesignated .....	<u>(631)</u>	<u>(592)</u>
<b>Total Fund Balance .....</b>	<b><u>1,659</u></b>	<b><u>2,529</u></b>
<b>Total Liabilities and Fund Balance .....</b>	<b><u>\$ 2,178</u></b>	<b><u>\$ 2,727</u></b>

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental .....	\$ 6,222	\$ 4,414	\$ (1,808)
Miscellaneous:			
Other .....	128	60	(68)
Total Revenues .....	<u>6,350</u>	<u>4,474</u>	<u>(1,876)</u>
Expenditures:			
Current:			
General government:			
City Council .....	44	44	--
Customer Services .....	44	44	--
Mayor .....	20	20	--
Prosecuting Attorney .....	882	882	--
Total General government .....	<u>990</u>	<u>990</u>	<u>--</u>
Public safety:			
Emergency Services .....	248	248	--
Mayor .....	49	20	29
Transportation Services .....	549	83	466
Total Public safety .....	<u>846</u>	<u>351</u>	<u>495</u>
Highways and streets:			
Facility Maintenance .....	185	60	125
Health and human resources:			
Community Services .....	3,964	3,140	824
Culture-recreation:			
Parks and Recreation .....	3	3	--
Total Expenditures .....	<u>5,988</u>	<u>4,544</u>	<u>1,444</u>
Revenues over (under) Expenditures .....	362	(70)	(432)
Unreserved - Undesignated Fund Balance - July 1 .....	--	(592)	(592)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 362</u>	<u>(662)</u>	<u>\$ (1,024)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		554	
Expenditures - prior year encumbrances .....		(1,354)	
Decrease in reserved for encumbrances .....		831	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		(631)	
Reserved for Encumbrances - June 30 .....		<u>2,290</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 1,659</u>	

CITY AND COUNTY OF HONOLULU  
**SPECIAL PROJECTS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts In thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>			
<b>STATE GRANTS:</b>			
Community Programming .....	\$ 86	\$ 88	\$ 2
District II Learning Center .....	3	3	--
Hawaii Career Criminal Prosecution .....	720	506	(214)
Ho'Ala - JTPA .....	692	507	(185)
Jobs - JTPA .....	232	168	(64)
LEPC Emergency Planning and Preparedness .....	49	20	(29)
Lifeguard Services at State Parks .....	243	248	5
North-South Road, Phase I .....	650	--	(650)
Oahu Film Office .....	50	25	(25)
Program on Aging-State Share .....	3,057	2,466	(591)
Criminal Forfeiture .....	4	4	--
Victim/Witness Kokua .....	436	371	(65)
Waikiki Torch Lighting .....	--	8	8
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b>6,222</b>	<b>4,414</b>	<b>(1,808)</b>
<b><u>MISCELLANEOUS</u></b>			
<b>OTHER MISCELLANEOUS:</b>			
Other:			
Improvement District Assessment Recelpts .....	128	60	(68)
<b>TOTAL MISCELLANEOUS .....</b>	<b>128</b>	<b>60</b>	<b>(68)</b>
<b>TOTAL SPECIAL PROJECTS FUND REVENUES .....</b>	<b>\$ 6,350</b>	<b>\$ 4,474</b>	<b>\$ (1,876)</b>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 6,796	\$ 7,022
Receivable:		
Intergovernmental .....	<u>178</u>	<u>125</u>
Total Assets .....	<u>\$ 6,974</u>	<u>\$ 7,147</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 464	\$ 245
Accounts payable .....	17	--
Deferred revenue .....	<u>773</u>	<u>819</u>
Total Liabilities .....	<u>1,254</u>	<u>1,064</u>
Fund Balance:		
Reserved for encumbrances .....	9,355	9,117
Unreserved - undesignated .....	<u>(3,635)</u>	<u>(3,034)</u>
Total Fund Balance .....	<u>5,720</u>	<u>6,083</u>
Total Liabilities and Fund Balance .....	<u>\$ 6,974</u>	<u>\$ 7,147</u>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 1 of 2)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental .....	\$ 50,702	\$ 35,892	\$ (14,810)
Miscellaneous:			
Interest .....	15	57	42
Other .....	--	27	27
<b>Total Revenues .....</b>	<b>50,717</b>	<b>35,976</b>	<b>(14,741)</b>
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services .....	328	200	128
Information Technology .....	38	20	18
Planning and Permitting .....	208	208	--
Prosecuting Attorney .....	1,789	1,118	671
<b>Total General government .....</b>	<b>2,363</b>	<b>1,546</b>	<b>817</b>
Public safety:			
Fire .....	300	98	202
Police .....	3,198	1,180	2,018
Transportation Services .....	15	15	--
<b>Total Public safety .....</b>	<b>3,513</b>	<b>1,293</b>	<b>2,220</b>
Sanitation:			
Environmental Services .....	65	52	13
Health and human resources:			
Community Services .....	20,556	13,420	7,136
Emergency Services .....	60	55	5
<b>Total Health and human resources .....</b>	<b>20,616</b>	<b>13,475</b>	<b>7,141</b>
Culture-recreation:			
Parks and Recreation .....	390	252	138
Utilities or other enterprises:			
Transportation Services .....	20,207	20,113	94
<b>Total Expenditures .....</b>	<b>47,154</b>	<b>36,731</b>	<b>10,423</b>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts In thousands)

(Page 2 of 2)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues over (under) Expenditures .....	3,563	(755)	(4,318)
Unreserved - Undesignated Fund Balance - July 1 .....	<u>--</u>	<u>(3,034)</u>	<u>(3,034)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 3,563</u>	(3,789)	<u>\$ (7,352)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		5,256	
Expenditures - prior year encumbrances .....		(4,864)	
Increase in reserved for encumbrances .....		<u>(238)</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		(3,635)	
Reserved for Encumbrances - June 30 .....		<u>9,355</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 5,720</u>	

CITY AND COUNTY OF HONOLULU  
FEDERAL GRANTS FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

(Page 1 of 2)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>			
<b><u>FEDERAL GRANTS:</u></b>			
Adolescent Wellness Center .....	\$ --	\$ 26	\$ 26
Bike/Pedestrian Education.....	--	80	80
Child Care Coordinator .....	10	10	--
Coastal Zone Management .....	214	208	(6)
Community Prosecution .....	--	42	42
COPS MORE .....	4,000	--	(4,000)
Crime Victim Assistance .....	723	615	(108)
Domestic Preparedness-Weapons of Mass Destruction ....	300	--	(300)
Domestic Violence .....	100	119	19
Drug Recognition Expert .....	194	84	(110)
Federal Emergency Food and Shelter .....	15	--	(15)
Evening Counseling .....	52	36	(16)
Forensic DNA Testing .....	84	9	(75)
Federal Transit Administration .....	20,207	20,226	19
High Intensity Drug Trafficking Area .....	1,256	413	(843)
Home Grant .....	70	477	407
HUD Youthbuild .....	350	209	(141)
Juvenile Accountability .....	610	10	(600)
Juvenile Justice Center .....	972	81	(891)
Juvenile Justice Waipahu .....	--	37	37
Local Law Enforcement Block Grant, Year 4 .....	1,481	541	(940)
Local Law Enforcement Block Grant, Year 5 .....	312	288	(24)
Metropolitan Medical Strike Team .....	60	150	90
Office of Youth Services .....	--	25	25
Pearl City Community Youth .....	65	78	13
Program on Aging .....	2,582	2,833	251
Public Housing Drug Elimination .....	253	155	(98)
Salt Lake Watershed Improvements .....	20	7	(13)
Shelter Plus Care .....	1,000	655	(345)
Speed Control Application .....	15	157	142
Summer Food Service .....	200	227	27
Supportive Housing .....	1,500	627	(873)
Sustainable Island Based Development Challenge .....	67	12	(55)
Title V-Juvenile Justice and Delinquency .....	100	--	(100)
Waianae Coast Watershed Management .....	46	46	--
Weed and Seed .....	200	120	(80)
Workforce Investment Act .....	13,612	7,260	(6,352)
Youth Violence .....	32	29	(3)
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b>50,702</b>	<b>35,892</b>	<b>(14,810)</b>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

(Page 2 of 2)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>MISCELLANEOUS</u></b>			
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	15	57	42
<b>OTHER MISCELLANEOUS:</b>			
Other:			
Sundry Refunds .....	--	27	27
<b>TOTAL MISCELLANEOUS .....</b>	<b>15</b>	<b>84</b>	<b>69</b>
<b>TOTAL FEDERAL GRANTS FUND REVENUES ...</b>	<b>\$ 50,717</b>	<b>\$ 35,976</b>	<b>\$ (14,741)</b>

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
REHABILITATION LOAN FUND

BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 7,972	\$ 7,973
Receivable:		
Loans .....	<u>13,263</u>	<u>13,634</u>
Total Assets .....	<u>\$ 21,235</u>	<u>\$ 21,607</u>
<b><u>LIABILITY AND FUND BALANCE</u></b>		
Liability:		
Deferred revenue .....	<u>\$ 13,263</u>	<u>\$ 13,634</u>
Total Liability .....	<u>13,263</u>	<u>13,634</u>
Fund Balance:		
Reserved for encumbrances .....	<u>7,972</u>	<u>7,973</u>
Total Fund Balance .....	<u>7,972</u>	<u>7,973</u>
Total Liability and Fund Balance .....	<u>\$ 21,235</u>	<u>\$ 21,607</u>

CITY AND COUNTY OF HONOLULU  
**HOUSING AND COMMUNITY DEVELOPMENT**  
**REHABILITATION LOAN FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues:			
Miscellaneous:			
Interest .....	\$ 633	\$ 490	\$ (143)
Other .....	<u>2,788</u>	<u>2,287</u>	<u>(501)</u>
Total Revenues .....	<u>3,421</u>	<u>2,777</u>	<u>(644)</u>
Expenditure:			
Current:			
Health and human resources:			
Community Services .....	<u>3,254</u>	<u>2,777</u>	<u>477</u>
Total Expenditure .....	<u>3,254</u>	<u>2,777</u>	<u>477</u>
Revenues over (under) Expenditure .....	167	--	(167)
Unreserved - Undesignated Fund Balance - July 1 .....	<u>--</u>	<u>--</u>	<u>--</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 167</u>	<u>--</u>	<u>\$ (167)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		1,050	
Expenditures - prior year encumbrances .....		(1,051)	
Decrease in reserved for encumbrances .....		<u>1</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		--	
Reserved for Encumbrances - June 30 .....		<u>7,972</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 7,972</u>	

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
REHABILITATION LOAN FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts In thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>MISCELLANEOUS</u></b>			
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	\$ 625	\$ 485	\$ (140)
Other Sources .....	8	5	(3)
Total Interest .....	633	490	(143)
<b>OTHER MISCELLANEOUS:</b>			
Repayments of Department of Housing and Community Development Loans:			
Principal .....	2,629	2,185	(444)
Interest .....	158	101	(57)
Late Charge .....	1	1	--
Total Other Miscellaneous .....	2,788	2,287	(501)
<b>TOTAL HOUSING AND COMMUNITY DEVELOPMENT REHABILITATION LOAN FUND REVENUES .....</b>	<b>\$ 3,421</b>	<b>\$ 2,777</b>	<b>\$ (644)</b>

CITY AND COUNTY OF HONOLULU  
**PAUHI PROJECT EXPENDITURES, HAWAII R-15 FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 2,612	\$ 2,476
Total Asset .....	<u>\$ 2,612</u>	<u>\$ 2,476</u>
<b><u>LIABILITY AND FUND BALANCE</u></b>		
Liability:		
Deferred revenue .....	\$ 483	\$ 483
Total Liability .....	<u>483</u>	<u>483</u>
Fund Balance:		
Reserved for encumbrances .....	1,764	1,764
Unreserved - undesignated .....	<u>365</u>	<u>229</u>
Total Fund Balance .....	<u>2,129</u>	<u>1,993</u>
Total Liability and Fund Balance .....	<u>\$ 2,612</u>	<u>\$ 2,476</u>

CITY AND COUNTY OF HONOLULU  
**PAUAAHI PROJECT EXPENDITURES, HAWAII R-15 FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Interest .....	\$ 113	\$ 136	\$ 23
Other .....	9	--	(9)
Total Revenue .....	122	136	14
Unreserved - Undesignated Fund Balance - July 1 .....	250	229	(21)
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 372</u>	365	<u>\$ (7)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		<u>--</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		365	
Reserved for Encumbrances - June 30 .....		<u>1,764</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 2,129</u>	

CITY AND COUNTY OF HONOLULU  
**PAUAHI PROJECT EXPENDITURES, HAWAII R-15 FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<u>MISCELLANEOUS</u>			
INTEREST:			
Interest Earnings:			
Investments .....	\$ 113	\$ 136	\$ 23
OTHER MISCELLANEOUS:			
Rents:			
Rental Units .....	<u>9</u>	<u>--</u>	<u>(9)</u>
TOTAL PAUAHI PROJECT EXPENDITURES, HAWAII R-15 FUND REVENUES .....	<u>\$ 122</u>	<u>\$ 136</u>	<u>\$ 14</u>

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
SECTION 8 CONTRACT FUND

BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 4,244	\$ 12,966
Due from other fund:		
Housing and Community Development Revolving Fund .....	--	138
Total Assets .....	<u>\$ 4,244</u>	<u>\$ 13,104</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 89	\$ 310
Accounts payable .....	6	--
Total Liabilities .....	<u>95</u>	<u>310</u>
Fund Balance:		
Reserved for encumbrances .....	4,113	12,744
Unreserved - undesignated .....	36	50
Total Fund Balance .....	<u>4,149</u>	<u>12,794</u>
Total Liabilities and Fund Balance .....	<u>\$ 4,244</u>	<u>\$ 13,104</u>

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
SECTION 8 CONTRACT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

	Budget	Actual on Budgetary Basis	Variance Favorable (Unfavorable)
Revenues:			
Intergovernmental .....	\$ 36,553	\$ 26,354	\$ (10,199)
Miscellaneous:			
Interest .....	440	872	432
Other .....	--	26	26
Total Revenues .....	<u>36,993</u>	<u>27,252</u>	<u>(9,741)</u>
Expenditures:			
Current:			
General government:			
Budget and Fiscal Services .....	117	110	7
Information Technology .....	<u>38</u>	<u>29</u>	<u>9</u>
Total General government .....	155	139	16
Health and human resources:			
Community Services .....	<u>37,502</u>	<u>28,430</u>	<u>9,072</u>
Total Expenditures .....	<u>37,657</u>	<u>28,569</u>	<u>9,088</u>
Revenues under Expenditures .....	(664)	(1,317)	(653)
Unreserved - Undesignated Fund Balance - July 1 .....	<u>665</u>	<u>50</u>	<u>(615)</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 1</u>	<u>(1,267)</u>	<u>\$ (1,268)</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances Included above .....		2,658	
Expenditures - prior year encumbrances .....		(9,986)	
Decrease in reserved for encumbrances .....		<u>8,631</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		36	
Reserved for Encumbrances - June 30 .....		<u>4,113</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 4,149</u>	

CITY AND COUNTY OF HONOLULU  
HOUSING AND COMMUNITY DEVELOPMENT  
SECTION 8 CONTRACT FUND

SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b><u>INTERGOVERNMENTAL</u></b>			
<b>FEDERAL GRANTS:</b>			
Section 8 Grants:			
Existing Housing Assistance Payment Program .....	\$ 1,353	\$ 4,287	\$ 2,934
Moderate Rehabilitation Program, (001) .....	68	1	(67)
New Construction Program .....	--	2,020	2,020
Existing Housing Voucher Program .....	35,031	19,945	(15,086)
Moderate Rehabilitation Program, (002) .....	101	101	--
<b>TOTAL INTERGOVERNMENTAL .....</b>	<b>36,553</b>	<b>26,354</b>	<b>(10,199)</b>
<b><u>MISCELLANEOUS</u></b>			
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	438	870	432
Other Sources .....	2	2	--
<b>Total Interest .....</b>	<b>440</b>	<b>872</b>	<b>432</b>
<b>OTHER MISCELLANEOUS:</b>			
Other:			
Escheats .....	--	25	25
Vacation Accumulation Deposits .....	--	1	1
<b>Total Other Miscellaneous .....</b>	<b>--</b>	<b>26</b>	<b>26</b>
<b>TOTAL MISCELLANEOUS .....</b>	<b>440</b>	<b>898</b>	<b>458</b>
<b>TOTAL HOUSING AND COMMUNITY DEVELOPMENT SECTION 8 CONTRACT FUND REVENUES .....</b>	<b>\$ 36,993</b>	<b>\$ 27,252</b>	<b>\$ (9,741)</b>

CITY AND COUNTY OF HONOLULU  
**LEASEHOLD CONVERSION FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 664	\$ 522
Total Asset .....	<u>\$ 664</u>	<u>\$ 522</u>
<b><u>LIABILITY AND FUND BALANCE</u></b>		
Liability:		
Deferred revenue .....	\$ 577	\$ 476
Total Liability .....	<u>577</u>	<u>476</u>
Fund Balance:		
Unreserved - undesignated .....	<u>87</u>	<u>46</u>
Total Fund Balance .....	<u>87</u>	<u>46</u>
Total Liability and Fund Balance .....	<u>\$ 664</u>	<u>\$ 522</u>

CITY AND COUNTY OF HONOLULU  
**LEASEHOLD CONVERSION FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -  
 BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	<u>Budget</u>	<u>Actual on Budgetary Basis</u>	<u>Variance Favorable (Unfavorable)</u>
Revenue:			
Miscellaneous:			
Interest .....	\$ --	\$ 3	\$ 3
Other .....	--	<u>38</u>	<u>38</u>
Total Revenue .....	--	41	41
Unreserved - Undesignated Fund Balance - July 1 .....	<u>45</u>	<u>46</u>	<u>1</u>
Unreserved - Undesignated Fund Balance - June 30 (Budgetary Basis) .....	<u>\$ 45</u>	87	<u>\$ 42</u>
Adjustments to conform with generally accepted accounting principles:			
Encumbrances included above .....		--	
Expenditures - prior year encumbrances .....		--	
Increase in reserved for encumbrances .....		<u>--</u>	
Unreserved - Undesignated Fund Balance - June 30 (GAAP Basis) .....		87	
Reserved for Encumbrances - June 30 .....		<u>--</u>	
Fund Balance - June 30 (GAAP Basis) .....		<u>\$ 87</u>	

CITY AND COUNTY OF HONOLULU  
**LEASEHOLD CONVERSION FUND**  
 SCHEDULE OF REVENUES - BUDGET AND ACTUAL  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts In thousands)

<u>Source of Revenues</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>MISCELLANEOUS</b>			
<b>INTEREST:</b>			
Interest Earnings:			
Investments .....	\$ --	\$ 3	\$ 3
<b>OTHER MISCELLANEOUS:</b>			
Other:			
Sundry Realizations .....	--	38	38
 TOTAL LEASEHOLD CONVERSION FUND			
REVENUES .....	<u>\$ --</u>	<u>\$ 41</u>	<u>\$ 41</u>

CITY AND COUNTY OF HONOLULU  
 REVOLVING FUNDS  
 COMBINING BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Municipal Stores Revolving Fund	Totals	
				2001	2000
<b><u>ASSETS</u></b>					
Cash and Investments:					
With Treasury .....	\$ 1,523	\$ 224	\$ 250	\$ 1,997	\$ 2,101
Receivable:					
Accounts .....	--	--	--	--	2
Inventories - Municipal Stores .....	--	--	24	24	47
Total Assets .....	<u>\$ 1,523</u>	<u>\$ 224</u>	<u>\$ 274</u>	<u>\$ 2,021</u>	<u>\$ 2,150</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>					
Liabilities:					
Checks payable .....	\$ --	\$ --	\$ 2	\$ 2	\$ 1
Accounts payable .....	--	--	--	--	2
Due to other fund:					
Housing and Community Development Section 8 Contract Fund .....	--	--	--	--	138
Total Liabilities .....	<u>--</u>	<u>--</u>	<u>2</u>	<u>2</u>	<u>141</u>
Fund Balances:					
Reserved for encumbrances .....	--	--	1	1	2
Unreserved - undesignated .....	<u>1,523</u>	<u>224</u>	<u>271</u>	<u>2,018</u>	<u>2,007</u>
Total Fund Balances .....	<u>1,523</u>	<u>224</u>	<u>272</u>	<u>2,019</u>	<u>2,009</u>
Total Liabilities and Fund Balances ..	<u>\$ 1,523</u>	<u>\$ 224</u>	<u>\$ 274</u>	<u>\$ 2,021</u>	<u>\$ 2,150</u>

CITY AND COUNTY OF HONOLULU  
**REVOLVING FUNDS**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Amounts in thousands)

	Improvement District Revolving Fund	Housing and Community Development Revolving Fund	Municipal Stores Revolving Fund	Totals	
				2001	2000
Revenue:					
Miscellaneous:					
Other .....	\$ --	\$ --	\$ 72	\$ 72	\$ 49
Total Revenue .....	--	--	72	72	49
Expenditure:					
Current:					
General government .....	2	--	60	62	45
Total Expenditure .....	2	--	60	62	45
Revenue over (under) Expenditure ....	(2)	--	12	10	4
Other Financing Use:					
Transfer to other fund:					
General Fund .....	--	--	--	--	(2,000)
Revenue over (under) Expenditure and Other Use .....	(2)	--	12	10	(1,996)
Fund Balances - July 1 .....	1,525	224	260	2,009	4,005
Fund Balances - June 30 .....	<u>\$ 1,523</u>	<u>\$ 224</u>	<u>\$ 272</u>	<u>\$ 2,019</u>	<u>\$ 2,009</u>

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## **DEBT SERVICE FUNDS**

### **General Obligation Bond and Interest Redemption Fund**

This fund accounts for payments of principal and interest on general obligation serial bonds issued by the City.

### **Improvement District Bond and Interest Redemption Fund**

This fund accounts for the redemption of maturing City improvement district assessment bonds and collections of special assessments.

CITY AND COUNTY OF HONOLULU  
DEBT SERVICE FUNDS  
COMBINING BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
(Amounts in thousands)

	General Obligation Bond and Interest Redemption Fund	Improvement District Bond and Interest Redemption Fund	Totals	
			2001	2000
<b>ASSETS</b>				
Cash and Investments:				
With Treasury .....	\$ --	\$ 931	\$ 931	\$ 31,252
With fiscal agents .....	568	--	568	383
Receivables:				
Accounts .....	86	--	86	--
Special assessments - current .....	--	536	536	550
Special assessments - deferred .....	--	2,025	2,025	2,444
Due from other fund:				
General Trust Fund .....	9,300	--	9,300	--
Total Assets .....	<u>\$ 9,954</u>	<u>\$ 3,492</u>	<u>\$ 13,446</u>	<u>\$ 34,629</u>
<b>LIABILITIES AND FUND BALANCE</b>				
Liabilities:				
Checks payable .....	\$ --	\$ --	\$ --	\$ 91
Accounts payable .....	--	--	--	9
Interest payable - matured .....	430	4	434	265
Interest payable - refunded bonds .....	--	--	--	222
Notes payable .....	9,300	--	9,300	--
Bonds payable - matured .....	224	5	229	249
Refunded bonds payable .....	--	--	--	29,900
Due to other fund:				
Capital Projects Fund .....	--	129	129	137
Deferred revenue .....	--	2,025	2,025	2,444
Total Liabilities .....	<u>9,954</u>	<u>2,163</u>	<u>12,117</u>	<u>33,317</u>
Fund Balance:				
Reserved for debt service .....	--	1,329	1,329	1,312
Total Fund Balance .....	<u>--</u>	<u>1,329</u>	<u>1,329</u>	<u>1,312</u>
Total Liabilities and Fund Balance ....	<u>\$ 9,954</u>	<u>\$ 3,492</u>	<u>\$ 13,446</u>	<u>\$ 34,629</u>

CITY AND COUNTY OF HONOLULU  
**DEBT SERVICE FUNDS**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 (Amounts in thousands)

	General Obligation Bond and Interest Redemption Fund	Improvement District Bond and Interest Redemption Fund	Totals	
			2001	2000
<b>Revenues:</b>				
Special assessments .....	\$ --	\$ 445	\$ 445	\$ 447
Miscellaneous:				
Interest .....	285	212	497	852
Other .....	--	11	11	10
<b>Total Revenues .....</b>	<b>285</b>	<b>668</b>	<b>953</b>	<b>1,309</b>
<b>Expenditures:</b>				
Debt service:				
General obligation bonds:				
Bond principal retirement:				
General obligation bonds .....	67,050	--	67,050	64,641
General obligation water bonds .....	1,665	--	1,665	2,850
Interest charges .....	77,382	--	77,382	75,367
Issuance costs .....	--	--	--	918
Special assessment bonds:				
Bond principal retirement .....	--	370	370	425
Interest charges .....	--	152	152	177
<b>Total Expenditures .....</b>	<b>146,097</b>	<b>522</b>	<b>146,619</b>	<b>144,378</b>
<b>Revenues over (under) Expenditures .....</b>	<b>(145,812)</b>	<b>146</b>	<b>(145,666)</b>	<b>(143,069)</b>
<b>Other Financing Sources (Uses):</b>				
Proceeds of refunding bonds .....	9,300	--	9,300	38,500
Transfers from other funds:				
General Fund - Principal .....	68,715	--	68,715	72,491
General Fund - Interest .....	77,097	--	77,097	75,676
Payment of refunded bonds .....	(9,300)	--	(9,300)	(43,500)
Transfers to other fund:				
Capital Projects Fund .....	--	(129)	(129)	(137)
<b>Total Other Financing Sources (Uses) .</b>	<b>145,812</b>	<b>(129)</b>	<b>145,683</b>	<b>143,030</b>
<b>Revenues and Other Sources over (under) Expenditures and Other Uses .....</b>	<b>--</b>	<b>17</b>	<b>17</b>	<b>(39)</b>
<b>Fund Balances - July 1 .....</b>	<b>--</b>	<b>1,312</b>	<b>1,312</b>	<b>1,351</b>
<b>Fund Balances - June 30 .....</b>	<b>\$ --</b>	<b>\$ 1,329</b>	<b>\$ 1,329</b>	<b>\$ 1,312</b>

## **CAPITAL PROJECTS FUNDS**

### **General Improvement Bond Fund**

This fund accounts for proceeds of general obligation bonds issued to pay all or part of those appropriations in the Capital Budget Ordinance for public improvements specified to be expended from this fund.

### **Highway Improvement Bond Fund**

Proceeds of general obligation bonds issued to pay all or a part of those appropriations in the Capital Budget Ordinance for highway and related public improvements are accounted for in this fund.

### **Federal Grants Capital Projects Fund**

All monies received from the federal government in the form of grants, entitlements or payments in lieu of taxes, to fund capital projects, and Federal Revenue Sharing funds appropriated for capital projects are deposited or transferred into this fund and expended for the purposes for which such monies are received or appropriated.

### **Capital Projects Fund**

Monies received from sources other than the federal government in the form of grants, entitlements, shared revenues or payments in lieu of taxes, to fund capital projects, and City monies appropriated for capital projects are deposited or transferred into this fund and expended for the purposes for which such monies are received or appropriated. All transactions relating to acquisition of capital improvements financed by special assessments are also accounted for in this fund.

## **CAPITAL PROJECTS FUNDS**

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUNDS**  
 COMBINING BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 1 of 2)

	General Improvement Bond Fund	Highway Improvement Bond Fund
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 35,957	\$ 19,143
Receivables:		
Accounts .....	--	--
Loans .....	--	--
Intergovernmental .....	--	--
Due from other fund:		
Improvement District Bond and Interest Redemption Fund .....	--	--
Total Assets .....	<u>\$ 35,957</u>	<u>\$ 19,143</u>
<b><u>LIABILITIES AND FUND BALANCES</u></b>		
Liabilities:		
Checks payable .....	\$ 3,133	\$ 1,184
Accounts payable .....	11,057	1,271
Due to other funds:		
Sewer Fund .....	4,839	--
Solid Waste Special Fund .....	3,459	--
Deferred revenue .....	--	--
Total Liabilities .....	<u>22,488</u>	<u>2,455</u>
Fund Balances:		
Reserved for encumbrances .....	282,683	149,409
Unreserved - undesignated .....	(269,214)	(132,721)
Total Fund Balances .....	<u>13,469</u>	<u>16,688</u>
Total Liabilities and Fund Balances .....	<u>\$ 35,957</u>	<u>\$ 19,143</u>

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUNDS**  
 COMBINING BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 2 of 2)

Federal Grants Capital Projects Fund	Capital Projects Fund	Totals	
		2001	2000
\$ 16,657	\$ 24,471	\$ 96,228	\$ 85,207
1,204	--	1,204	--
39,648	--	39,648	44,216
3,685	--	3,685	2,279
--	129	129	137
<u>\$ 61,194</u>	<u>\$ 24,600</u>	<u>\$ 140,894</u>	<u>\$ 131,839</u>
\$ 472	\$ 5	\$ 4,794	\$ 8,685
2,105	--	14,433	14,335
--	227	5,066	6,419
--	--	3,459	5,259
40,482	--	40,482	44,235
<u>43,059</u>	<u>232</u>	<u>68,234</u>	<u>78,933</u>
99,265	12,782	544,139	486,959
(81,130)	11,586	(471,479)	(434,053)
<u>18,135</u>	<u>24,368</u>	<u>72,660</u>	<u>52,906</u>
<u>\$ 61,194</u>	<u>\$ 24,600</u>	<u>\$ 140,894</u>	<u>\$ 131,839</u>

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUNDS**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 (Amounts in thousands)

(Page 1 of 2)

	General Improvement Bond Fund	Highway Improvement Bond Fund
Revenues:		
Intergovernmental .....	\$ --	\$ --
Miscellaneous:		
Improvement District Assessment Receipts .....	--	--
Other .....	--	--
<b>Total Revenues .....</b>	<b>--</b>	<b>--</b>
Expenditures:		
Capital outlay:		
General government .....	39,473	1,323
Public safety .....	4,953	2,505
Highways and streets .....	368	32,513
Sanitation .....	--	--
Health and human resources .....	1,895	--
Culture-recreation .....	54,787	--
Utilities or other enterprises .....	--	4,685
<b>Total Expenditures .....</b>	<b>101,476</b>	<b>41,026</b>
Revenues under Expenditures .....	(101,476)	(41,026)
Other Financing Sources (Uses):		
Proceeds of general obligation bonds .....	98,340	51,720
Proceeds of long-term notes .....	--	--
Sale of fixed assets .....	--	26
Transfers from other funds:		
Bikeway Fund .....	--	--
Parks and Playgrounds Fund .....	--	--
Community Development Fund .....	--	--
Improvement District Bond and Interest Redemption Fund .....	--	--
Transfers to other funds:		
General Fund .....	--	--
Bikeway Fund .....	--	--
Parks and Playgrounds Fund .....	--	--
Sewer Fund .....	--	--
Solid Waste Fund - Refuse Account .....	--	--
<b>Total Other Financing Sources (Uses) .....</b>	<b>98,340</b>	<b>51,746</b>
Revenues and Other Sources over (under)		
Expenditures and Other Uses .....	(3,136)	10,720
Fund Balances - July 1 .....	16,605	5,968
Fund Balances - June 30 .....	<u>\$ 13,469</u>	<u>\$ 16,688</u>

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUNDS**  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Amounts in thousands)

(Page 2 of 2)

Federal Grants Capital Projects Fund	Capital Projects Fund	Totals	
		2001	2000
\$ 56,306	\$ --	\$ 56,306	\$ 36,827
--	24	24	50
--	1,581	1,581	289
<u>56,306</u>	<u>1,605</u>	<u>57,911</u>	<u>37,166</u>
25,810	--	66,606	78,689
3,370	--	10,828	16,357
9,490	539	42,910	24,195
--	84	84	3,678
1,327	--	3,222	--
1,821	3,573	60,181	55,380
12,528	--	17,213	19,646
<u>54,346</u>	<u>4,196</u>	<u>201,044</u>	<u>197,945</u>
<u>1,960</u>	<u>(2,591)</u>	<u>(143,133)</u>	<u>(160,779)</u>
--	--	150,060	111,500
--	--	--	6,094
--	--	26	11,230
--	656	656	1,391
--	4,037	4,037	1,663
9,251	--	9,251	20,781
--	129	129	137
--	--	--	(18)
--	(809)	(809)	(863)
--	(463)	(463)	(3,049)
--	--	--	(25,976)
--	--	--	(12,525)
<u>9,251</u>	<u>3,550</u>	<u>162,887</u>	<u>110,365</u>
11,211	959	19,754	(50,414)
<u>6,924</u>	<u>23,409</u>	<u>52,906</u>	<u>103,320</u>
<u>\$ 18,135</u>	<u>\$ 24,368</u>	<u>\$ 72,660</u>	<u>\$ 52,906</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL IMPROVEMENT BOND FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSET</u></b>		
Cash and Investments:		
With Treasury .....	\$ 35,957	\$ 41,565
Total Asset .....	<u>\$ 35,957</u>	<u>\$ 41,565</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 3,133	\$ 3,738
Accounts payable .....	11,057	10,101
Due to other fund:		
Sewer Fund .....	4,839	5,862
Solid Waste Special Fund .....	<u>3,459</u>	<u>5,259</u>
Total Liabilities .....	<u>22,488</u>	<u>24,960</u>
Fund Balance:		
Reserved for encumbrances .....	282,683	269,317
Unreserved - undesignated .....	<u>(269,214)</u>	<u>(252,712)</u>
Total Fund Balance .....	<u>13,469</u>	<u>16,605</u>
Total Liabilities and Fund Balance .....	<u>\$ 35,957</u>	<u>\$ 41,565</u>

CITY AND COUNTY OF HONOLULU  
**GENERAL IMPROVEMENT BOND FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
Revenue:		
Miscellaneous:		
Other .....	\$ --	\$ 4
Total Revenue .....	<u>--</u>	<u>4</u>
Expenditures:		
Capital outlay:		
General government .....	39,473	48,344
Public safety .....	4,953	8,961
Highways and streets .....	368	5
Health and human resources .....	1,895	--
Culture-recreation .....	<u>54,787</u>	<u>48,185</u>
Total Expenditures .....	<u>101,476</u>	<u>105,495</u>
Revenue under Expenditures .....	<u>(101,476)</u>	<u>(105,491)</u>
Other Financing Sources (Uses):		
Proceeds of general obligation bonds .....	98,340	86,500
Proceeds of long-term notes .....	--	6,094
Sale of fixed assets - land .....	--	11,213
Transfers to other funds:		
Sewer Fund .....	--	(23,762)
Solid Waste Fund - Refuse Account .....	<u>--</u>	<u>(12,525)</u>
Total Other Financing Sources (Uses) .....	<u>98,340</u>	<u>67,520</u>
Revenue and Other Sources under Expenditures and Other Uses .....	<u>(3,136)</u>	<u>(37,971)</u>
Fund Balance - July 1 .....	<u>16,605</u>	<u>54,576</u>
Fund Balance - June 30 .....	<u>\$ 13,469</u>	<u>\$ 16,605</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY IMPROVEMENT BOND FUND**  
 BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 19,143	\$ 8,686
Due from other fund:		
Federal Grants Capital Projects Fund .....	<u>--</u>	<u>299</u>
Total Assets .....	<u>\$ 19,143</u>	<u>\$ 8,985</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 1,184	\$ 1,618
Accounts payable .....	<u>1,271</u>	<u>1,399</u>
Total Liabilities .....	<u>2,455</u>	<u>3,017</u>
Fund Balance:		
Reserved for encumbrances .....	149,409	89,854
Unreserved - undesignated .....	<u>(132,721)</u>	<u>(83,886)</u>
Total Fund Balance .....	<u>16,688</u>	<u>5,968</u>
Total Liabilities and Fund Balance .....	<u>\$ 19,143</u>	<u>\$ 8,985</u>

CITY AND COUNTY OF HONOLULU  
**HIGHWAY IMPROVEMENT BOND FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 (Amounts in thousands)

	<u>2001</u>	<u>2000</u>
Expenditures:		
Capital outlay:		
General government .....	\$ 1,323	\$ 1,746
Public safety .....	2,505	3,674
Highways and streets .....	32,513	20,914
Utilities or other enterprises .....	<u>4,685</u>	<u>3,587</u>
Total Expenditures .....	<u>41,026</u>	<u>29,921</u>
Other Financing Sources:		
Proceeds of general obligation bonds .....	51,720	25,000
Sale of fixed assets .....	<u>26</u>	<u>17</u>
Total Other Financing Sources .....	<u>51,746</u>	<u>25,017</u>
Other Sources over (under) Expenditures .....	10,720	(4,904)
Fund Balance - July 1 .....	<u>5,968</u>	<u>10,872</u>
Fund Balance - June 30 .....	<u><u>\$ 16,688</u></u>	<u><u>\$ 5,968</u></u>

CITY AND COUNTY OF HONOLULU  
FEDERAL GRANTS CAPITAL PROJECTS FUND

BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<u>ASSETS</u>		
Cash and Investments:		
With Treasury .....	\$ 16,657	\$ 10,807
Receivables:		
Accounts .....	1,204	--
Loans .....	39,648	44,216
Intergovernmental .....	<u>3,685</u>	<u>2,279</u>
Total Assets .....	<u>\$ 61,194</u>	<u>\$ 57,302</u>
<u>LIABILITIES AND FUND BALANCE</u>		
Liabilities:		
Checks payable .....	\$ 472	\$ 3,321
Accounts payable .....	2,105	2,523
Due to other fund:		
Highway Improvement Bond Fund .....	--	299
Deferred revenue .....	<u>40,482</u>	<u>44,235</u>
Total Liabilities .....	<u>43,059</u>	<u>50,378</u>
Fund Balance:		
Reserved for encumbrances .....	99,265	116,004
Unreserved - undesignated .....	<u>(81,130)</u>	<u>(109,080)</u>
Total Fund Balance .....	<u>18,135</u>	<u>6,924</u>
Total Liabilities and Fund Balance .....	<u>\$ 61,194</u>	<u>\$ 57,302</u>

CITY AND COUNTY OF HONOLULU  
**FEDERAL GRANTS CAPITAL PROJECTS FUND**  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
 IN FUND BALANCE  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 (Amounts In thousands)

	<u>2001</u>	<u>2000</u>
Revenue:		
Intergovernmental .....	\$ 56,306	\$ 36,827
Total Revenue .....	<u>56,306</u>	<u>36,827</u>
Expenditures:		
Capital outlay:		
General government .....	25,810	28,546
Public safety .....	3,370	3,722
Highways and streets .....	9,490	2,941
Sanitation .....	--	3,175
Health and human resources .....	1,327	--
Culture-recreation .....	1,821	5,455
Utilities or other enterprises .....	<u>12,528</u>	<u>16,059</u>
Total Expenditures .....	<u>54,346</u>	<u>59,898</u>
Revenue under Expenditures .....	1,960	(23,071)
Other Financing Source:		
Transfer from other fund:		
Community Development Fund .....	<u>9,251</u>	<u>20,781</u>
Revenue and Other Source over (under) Expenditures .....	11,211	(2,290)
Fund Balance - July 1 .....	<u>6,924</u>	<u>9,214</u>
Fund Balance - June 30 .....	<u>\$ 18,135</u>	<u>\$ 6,924</u>

CITY AND COUNTY OF HONOLULU  
CAPITAL PROJECTS FUND  
BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
<b><u>ASSETS</u></b>		
Cash and Investments:		
With Treasury .....	\$ 24,471	\$ 24,149
Due from other fund:		
Improvement District Bond and Interest Redemption Fund .....	<u>129</u>	<u>137</u>
Total Assets .....	<u>\$ 24,600</u>	<u>\$ 24,286</u>
<b><u>LIABILITIES AND FUND BALANCE</u></b>		
Liabilities:		
Checks payable .....	\$ 5	\$ 8
Accounts payable .....	--	312
Due to other fund:		
Sewer Fund .....	<u>227</u>	<u>557</u>
Total Liabilities .....	<u>232</u>	<u>877</u>
Fund Balance:		
Reserved for encumbrances .....	12,782	11,784
Unreserved - undesignated .....	<u>11,586</u>	<u>11,625</u>
Total Fund Balance .....	<u>24,368</u>	<u>23,409</u>
Total Liabilities and Fund Balance .....	<u>\$ 24,600</u>	<u>\$ 24,286</u>

CITY AND COUNTY OF HONOLULU  
**CAPITAL PROJECTS FUND**  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
Revenues:		
Miscellaneous:		
Improvement District Assessment Receipts .....	\$ 24	\$ 50
Other .....	<u>1,581</u>	<u>285</u>
Total Revenues .....	<u>1,605</u>	<u>335</u>
Expenditures:		
Capital outlay:		
General government .....	--	53
Highways and streets .....	539	335
Sanitation .....	84	503
Culture-recreation .....	<u>3,573</u>	<u>1,740</u>
Total Expenditures .....	<u>4,196</u>	<u>2,631</u>
Revenues under Expenditures .....	<u>(2,591)</u>	<u>(2,296)</u>
Other Financing Sources (Uses):		
Transfers from other funds:		
Bikeway Fund .....	656	1,391
Parks and Playgrounds Fund .....	4,037	1,663
Improvement District Bond and Interest Redemption Fund .....	129	137
Transfers to other funds:		
General Fund .....	--	(18)
Bikeway Fund .....	(809)	(863)
Parks and Playgrounds Fund .....	(463)	(3,049)
Sewer Fund .....	<u>--</u>	<u>(2,214)</u>
Total Other Financing Sources (Uses) .....	<u>3,550</u>	<u>(2,953)</u>
Revenues and Other Sources over (under) Expenditures and Other Uses .....	959	(5,249)
Fund Balance - July 1 .....	<u>23,409</u>	<u>28,658</u>
Fund Balance - June 30 .....	<u>\$ 24,368</u>	<u>\$ 23,409</u>

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## **ENTERPRISE FUNDS**

### **Proprietary Fund Type**

#### **Housing Development Special Fund**

This fund accounts for monies designated for the development of housing for sale or for rental by the City. Transactions in this fund are incorporated in the special statements for the housing program.

#### **Sewer Fund**

This fund accounts for all monies received pursuant to the provisions of the Federal Water Pollution Control Act amendments of 1972 and the Hawaii Revised Statutes and expended for the purposes authorized.

#### **Solid Waste Special Fund**

This fund accounts for all revenues derived from the operation of the City's Refuse Division, solid waste disposal programs, glass recycling program, and other recycling programs. All monies placed in this fund are maintained in separate accounts identified with and expended for the intended purposes.

#### **Public Transportation System**

The Bus Transportation Fund was created for the management, operation, and maintenance of the bus transportation system, including the City bus system (TheBus) and the special transit service (The Handi-Van).

## **ENTERPRISE FUNDS**

CITY AND COUNTY OF HONOLULU  
**ENTERPRISE FUNDS - PROPRIETARY FUND TYPE**  
 COMBINING BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 1 of 2)

	Housing	Sewer
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents .....	\$ 24,927	\$ 33,973
Investments .....	--	65,277
Receivables:		
Accounts (net of allowance for uncollectible accounts		
\$2,309 in 2001 and \$2,329 in 2000).....	287	16,406
Interest .....	38	682
Note .....	4,095	--
Due from other funds .....	--	5,198
Inventories of parts, materials and supplies, at cost		
(net of \$227 reserve for obsolescence) .....	--	11,983
Inventories of real estate held for sale .....	4,970	--
Prepaid expenses and other assets .....	--	--
Total Current Assets .....	34,317	133,519
Restricted Asset:		
Other .....	4,356	--
Fixed Assets:		
Land .....	19,708	80,930
Buildings and Improvements .....	108,504	335,351
Transmission and distribution system .....	--	470,943
Equipment and machinery .....	33	22,418
Buses and other transit vehicles .....	--	--
Construction work in progress .....	18,348	114,929
Accumulated depreciation .....	(28,971)	(45,314)
Deferred charges and other .....	1,434	--
Total Assets .....	<u>\$ 157,729</u>	<u>\$ 1,112,776</u>
<b>LIABILITIES AND RETAINED EARNINGS (DEFICIT)</b>		
Current Liabilities:		
Checks payable .....	\$ 10	\$ 3,171
Accounts payable .....	107	7,334
Interest payable-current .....	2,778	8,227
Notes payable-current .....	--	4,171
Bonds payable-current .....	4,869	10,948
Due to other funds .....	--	--
Reserve for insurance claims payable .....	--	--
Accrued payroll .....	--	--
Other current liabilities .....	101	357
Total Current Liabilities .....	7,865	34,208
Notes payable .....	--	64,658
General obligation bonds payable .....	123,313	77,418
Revenue bonds payable .....	--	318,443
Operating fee obligation, net of note receivable .....	--	--
Estimated liability for landfill closure and postclosure care costs.....	--	--
Deferred credits and other liabilities .....	11,234	5,600
Total Liabilities .....	142,412	500,327
Retained Earnings (Deficit):		
Reserved for debt service .....	--	39,562
Unreserved .....	15,317	572,887
Total Retained Earnings (Deficit) .....	15,317	612,449
Total Liabilities and Retained Earnings (Deficit) .....	<u>\$ 157,729</u>	<u>\$ 1,112,776</u>

CITY AND COUNTY OF HONOLULU  
ENTERPRISE FUNDS - PROPRIETARY FUND TYPE  
COMBINING BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
(Amounts in thousands)

(Page 2 of 2)

Solid Waste	Public Transportation System	Totals	
		2001	2000
\$ 51,975	\$ 5,604	\$ 116,479	\$ 152,465
41,910	--	107,187	135,487
15,115	--	31,808	30,341
2,590	--	3,310	2,952
--	--	4,095	4,097
3,627	--	8,825	14,245
--	7,483	19,466	25,503
--	--	4,970	7,388
250	1,668	1,918	1,248
115,467	14,755	298,058	373,726
--	3,932	8,288	16,141
18,949	32,522	152,109	137,407
49,905	22,673	516,433	510,536
--	--	470,943	469,538
232,845	16,934	272,230	269,201
--	130,112	130,112	123,489
717	20,411	154,405	85,064
(141,788)	(114,775)	(330,848)	(280,748)
482	--	1,916	2,070
<u>\$ 276,577</u>	<u>\$ 126,564</u>	<u>\$ 1,673,646</u>	<u>\$ 1,706,424</u>
\$ 2,686	\$ 31	\$ 5,898	\$ 4,727
5,168	1,526	14,135	13,437
8,969	--	19,974	19,778
--	--	4,171	3,868
16,692	--	32,509	28,326
37	--	37	603
--	7,774	7,774	5,894
301	--	301	--
--	3,601	4,059	3,395
33,853	12,932	88,858	80,028
--	--	64,658	64,131
209,204	--	409,935	441,269
--	--	318,443	319,453
95,689	--	95,689	96,246
13,152	--	13,152	14,151
3,133	2,684	22,651	22,029
355,031	15,616	1,013,386	1,037,307
--	--	39,562	38,039
(78,454)	110,948	620,698	631,078
(78,454)	110,948	660,260	669,117
<u>\$ 276,577</u>	<u>\$ 126,564</u>	<u>\$ 1,673,646</u>	<u>\$ 1,706,424</u>

CITY AND COUNTY OF HONOLULU  
**ENTERPRISE FUNDS - PROPRIETARY FUND TYPE**  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND  
 CHANGES IN RETAINED EARNINGS (DEFICIT)  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

	Housing	Sewer	Solid Waste	Public Transportation System	Totals	
					2001	2000
<b>Operating Revenues:</b>						
Sales of dwelling units and lots .....	\$ 1,818	\$ --	\$ --	\$ --	\$ 1,818	\$ 21,488
Rental income .....	8,052	--	3,223	--	11,275	11,199
Sewer service charges .....	--	111,555	--	--	111,555	122,450
Disposal and collection fees .....	--	--	54,323	--	54,323	53,192
Electrical energy fee .....	--	--	26,163	--	26,163	27,906
Passenger fares for transit services .....	--	--	--	27,851	27,851	27,928
Other revenue .....	--	1,486	1,320	443	3,249	4,285
Total Operating Revenues .....	<u>9,870</u>	<u>113,041</u>	<u>85,029</u>	<u>28,294</u>	<u>236,234</u>	<u>268,448</u>
<b>Operating Expenses:</b>						
Administrative and general .....	771	30,515	33,930	909	66,125	73,817
Maintenance .....	883	389	1,539	5	2,816	1,526
Depreciation .....	3,584	22,025	16,149	14,587	56,345	57,777
Contractual services .....	1,263	6,806	34,239	4,229	46,537	47,951
Supplemental operating fee .....	--	--	3,223	--	3,223	3,223
Labor .....	--	--	--	61,240	61,240	56,797
Fringe benefits .....	47	7,613	4,467	31,910	44,037	42,958
Materials and supplies .....	85	12,656	1,768	9,404	23,913	13,150
Fuel and lubricants .....	--	1,893	103	7,390	9,386	4,919
Insurance .....	143	--	768	7,084	7,995	8,246
State taxes - fuel .....	--	--	96	2,379	2,475	2,380
Utilities .....	1,038	7,087	163	1,045	9,333	9,398
Cost of sales - dwelling units and lots ..	5,391	--	--	--	5,391	25,286
Provision for losses on dwelling units and lots .....	6,000	--	--	--	6,000	--
Other .....	40	14	--	102	156	398
Total Operating Expenses .....	<u>19,245</u>	<u>88,998</u>	<u>96,445</u>	<u>140,284</u>	<u>344,972</u>	<u>347,826</u>
Operating Income (Loss) .....	<u>(9,375)</u>	<u>24,043</u>	<u>(11,416)</u>	<u>(111,990)</u>	<u>(108,738)</u>	<u>(79,378)</u>
<b>Nonoperating Revenues (Expenses):</b>						
Interest revenue .....	1,474	7,322	17,340	503	26,639	27,948
Interest expense .....	(2,335)	(17,677)	(30,832)	--	(50,844)	(66,063)
Gain (Loss) from disposal of property ..	--	17	(81)	(27)	(91)	(821)
Amortization expense .....	(99)	--	(134)	--	(233)	(234)
Net Increase (decrease) in the fair value of investments .....	--	--	--	152	152	(178)
Other .....	704	(224)	--	--	480	4,502
Total Nonoperating Revenues (Expenses) .....	<u>(256)</u>	<u>(10,562)</u>	<u>(13,707)</u>	<u>628</u>	<u>(23,897)</u>	<u>(34,846)</u>
Income (Loss) before Operating Transfers and Capital Contributions .....	<u>(9,631)</u>	<u>13,481</u>	<u>(25,123)</u>	<u>(111,362)</u>	<u>(132,635)</u>	<u>(114,224)</u>
Operating Transfers In .....	149	--	40,724	62,835	103,708	142,502
Operating Transfers Out .....	--	(6,120)	(30,914)	--	(37,034)	(11,872)
Capital Contributions .....	<u>(2,685)</u>	<u>4,731</u>	<u>737</u>	<u>54,321</u>	<u>57,104</u>	<u>561,633</u>
Net Income (Loss) .....	<u>(12,167)</u>	<u>12,092</u>	<u>(14,576)</u>	<u>5,794</u>	<u>(8,857)</u>	<u>578,039</u>
Retained Earnings (Deficit) - July 1 .....	<u>27,484</u>	<u>600,357</u>	<u>(63,878)</u>	<u>105,154</u>	<u>669,117</u>	<u>91,078</u>
Retained Earnings (Deficit) - June 30 .....	<u>\$ 15,317</u>	<u>\$ 612,449</u>	<u>\$ (78,454)</u>	<u>\$ 110,948</u>	<u>\$ 660,260</u>	<u>\$ 669,117</u>

CITY AND COUNTY OF HONOLULU  
**ENTERPRISE FUNDS - PROPRIETARY FUND TYPE**  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 1 of 2)

	Housing	Sewer	Solid Waste	Public Transportation System	Totals	
					2001	2000
<b>Cash flows from operating activities:</b>						
Operating Income (loss) .....	\$ (9,375)	\$ 24,043	\$ (11,416)	\$ (111,990)	\$ (108,738)	\$ (79,378)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation .....	3,584	22,025	16,149	14,587	56,345	57,777
Provision for losses on dwelling units and lots .....	6,000	--	--	--	6,000	--
Other revenues (expenses) .....	742	(182)	211	--	771	5,207
(Increase) decrease in accounts receivable .....	283	(178)	(624)	--	(519)	514
Increase in note receivable due to sale of real estate .....	--	--	--	--	--	(4,057)
(Increase) decrease in due from other funds .....	25	(3,939)	1,212	--	(2,702)	174
(Increase) decrease in parts, materials and supplies .....	--	5,889	--	127	6,016	(7,580)
Decrease in real estate held for sale .....	5,238	--	--	--	5,238	23,099
(Increase) decrease in prepaid expenses and other assets .....	78	--	155	(614)	(381)	202
Increase (decrease) in trade accounts and checks payables ...	(405)	2,659	(970)	(348)	936	7,192
Increase (decrease) in reserve for insurance claims payable .....	--	--	--	1,879	1,879	(8,779)
Increase (decrease) in deferred cre .....	(380)	--	168	--	(212)	8,690
Increase (decrease) in other liabilit .....	--	188	116	1,529	1,833	(19,049)
Decrease in due to other funds .....	(2)	(1)	(565)	--	(568)	(895)
Net cash provided by (used in) operating activities .....	5,788	50,504	4,436	(94,830)	(34,102)	(16,883)
<b>Cash flows from noncapital financing activities:</b>						
Operating transfers in .....	119	--	40,447	62,835	103,401	109,685
Operating transfers out .....	--	(6,120)	(30,914)	--	(37,034)	(11,885)
Net cash provided by (used in) noncapital financing activities .....	119	(6,120)	9,533	62,835	66,367	97,800
<b>Cash flows from capital and related financing activities:</b>						
Acquisition and construction of capital assets .....	(287)	(64,815)	(1,540)	(332)	(66,974)	(26,613)
Proceeds from issuing notes .....	--	4,904	--	--	4,904	--
Principal paid on operating fee obligation .....	--	--	(15,777)	--	(15,777)	(9,549)
Interest paid on operating fee obligation .....	--	--	(14,835)	--	(14,835)	(15,498)
Proceeds from issuing bonds .....	--	3	--	--	3	45,820
Payment to refunded bond escrow agent .....	--	--	--	--	--	(45,820)
Principal paid on notes .....	--	(4,074)	--	--	(4,074)	(3,673)
Principal paid on bonds .....	(3,719)	(9,420)	(15,190)	--	(28,329)	(30,733)
Interest paid on notes .....	--	(2,347)	--	--	(2,347)	(2,168)
Interest paid on bonds .....	(5,844)	(18,926)	(14,393)	--	(39,163)	(42,528)
Contributed capital .....	--	--	--	21,864	21,864	18,756
Net cash provided by (used in) capital and related financing activities .....	(9,850)	(94,675)	(61,735)	21,532	(144,728)	(112,006)

(continued)

CITY AND COUNTY OF HONOLULU  
**ENTERPRISE FUNDS - PROPRIETARY FUND TYPE**  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

(Page 2 of 2)

	Housing	Sewer	Solid Waste	Public Transportation System	Totals	
					2001	2000
Cash flows from Investing activities:						
Purchase of Investments .....	(222,830)	(394,295)	(442,077)	--	(1,059,202)	(1,085,794)
Proceeds from maturities of						
Investments .....	222,830	413,034	451,638	--	1,087,502	1,043,961
Principal received on notes receivable ....	2	--	12,975	--	12,977	8,053
Interest received on notes receivable .....	1	--	12,244	--	12,245	12,892
Deposits into restricted assets .....	(492)	--	--	(754)	(1,246)	(5,692)
Withdrawals from restricted assets .....	--	--	--	9,275	9,275	16,331
Interest on Investments .....	1,557	8,063	4,803	503	14,926	12,842
Net cash provided by Investing activities .....	1,068	26,802	39,583	9,024	76,477	2,593
Net decrease in cash and cash equivalents .....	(2,875)	(23,489)	(8,183)	(1,439)	(35,986)	(28,496)
Cash and cash equivalents - July 1 .....	27,802	57,462	60,158	7,043	152,465	180,961
Cash and cash equivalents - June 30 .....	<u>\$ 24,927</u>	<u>\$ 33,973</u>	<u>\$ 51,975</u>	<u>\$ 5,604</u>	<u>\$ 116,479</u>	<u>\$ 152,465</u>

Supplemental disclosure of noncash capital and related financing activities (amounts in thousands):

Housing

Amortization of deferred refinancing charges amounted to \$99 for the years ended June 30, 2001 and 2000.

Solid Waste

Amortization of bond discount amounted to \$134 and \$135 for the years ended June 30, 2001 and 2000, respectively.

Public Transportation System

The Public Transportation System received contributions of fixed assets from the City and County of Honolulu amounting to \$32,489 and \$12,920 for the years ended June 30, 2001 and 2000, respectively.

## **TRUST AND AGENCY FUNDS**

### **General Trust Fund**

This fund accounts for monies received by the various agencies of the City for specific purposes, as trustee, donee, escrow agent, beneficiary, custodian or security holder, for which no special trust fund exists. This fund is distinguished from the Treasury Trust Fund in that all disbursements are made through claims vouchers.

### **Treasury Trust Fund**

Monies of the same nature as are accounted for in the General Trust Fund but which require expeditious disbursements are deposited in this fund. In contrast with the General Trust Fund, disbursements are made from this fund through commercial checking accounts authorized by the Director of Budget and Fiscal Services instead of by claims vouchers.

### **Kukui Plaza Trust Fund**

This fund was created to account for the sum of \$5,000 deposited by Oceanside Properties, Inc., a Hawaii corporation, lessee under the master sublease dated March 28, 1973 by and between this corporation and the City for investment in a bank or savings institution for a term of 75 years. The proceeds in the Trust Fund shall be used in accordance with the terms of the lease agreement.

### **Real Property Tax Trust Fund**

This fund is used for the purpose of making refunds and adjustments relating to real property taxes.

### **Payroll Clearance Fund**

This fund is used to clear payments of all salaries and wages.

## **TRUST AND AGENCY FUNDS**

CITY AND COUNTY OF HONOLULU  
**TRUST AND AGENCY FUNDS**  
 COMBINING BALANCE SHEET  
 JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR JUNE 30, 2000  
 (Amounts in thousands)

	Expendable Trust Funds			Agency Fund	Totals	
	General Trust Fund	Treasury Trust Fund	Real Property Tax Trust Fund	Payroll Clearance Fund	2001	2000
<b>ASSETS</b>						
Cash and Investments:						
With Treasury .....	\$ 31,844	\$ 898	\$ 7,064	\$ 3,732	\$ 43,538	\$ 35,041
Imprest and change funds .....	54	163	--	--	217	260
Due from other funds:						
General Fund .....	--	--	--	--	--	188
Solid Waste Fund - Refuse						
General Account .....	5	--	--	--	5	3
Solid Waste Fund - HPOWER						
Account .....	20	--	--	--	20	20
Total Assets .....	<u>\$ 31,923</u>	<u>\$ 1,061</u>	<u>\$ 7,064</u>	<u>\$ 3,732</u>	<u>\$ 43,780</u>	<u>\$ 35,512</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Checks payable .....	\$ 134	\$ --	\$ 117	\$ 1,976	\$ 2,227	\$ 5,618
Accounts payable .....	3	--	--	--	3	188
Due to other funds:						
General Obligation Bond and						
Interest Redemption Fund .....	9,300	--	--	--	9,300	--
Solid Waste Fund - Recycling						
Account .....	--	--	--	--	--	322
Other current liabilities .....	--	--	--	1,756	1,756	--
Total Liabilities .....	<u>9,437</u>	<u>--</u>	<u>117</u>	<u>3,732</u>	<u>13,286</u>	<u>6,128</u>
Fund Balances:						
Reserved for encumbrances .....	344	--	--	--	344	814
Reserved for amounts held in trust .....	22,088	898	6,947	--	29,933	28,310
Reserved for imprest and						
change funds .....	54	163	--	--	217	260
Total Fund Balances .....	<u>22,486</u>	<u>1,061</u>	<u>6,947</u>	<u>--</u>	<u>30,494</u>	<u>29,384</u>
Total Liabilities and						
Fund Balances .....	<u>\$ 31,923</u>	<u>\$ 1,061</u>	<u>\$ 7,064</u>	<u>\$ 3,732</u>	<u>\$ 43,780</u>	<u>\$ 35,512</u>

CITY AND COUNTY OF HONOLULU  
**TRUST FUNDS**  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 2000  
 (Amounts in thousands)

	Expendable Trust Funds				Totals	
	General	Treasury	Kukul	Real	2001	2000
	Trust	Trust	Plaza	Property		
	Fund	Fund	Trust	Tax Trust		
	Fund	Fund	Fund	Fund		
Revenues:						
Interest .....	\$ 253	\$ 35	\$ --	\$ --	\$ 288	\$ 535
Collections for sundry creditors, payroll transfers, etc .....	175,143	10,101	--	6,572	191,816	266,113
Total Revenues .....	175,396	10,136	--	6,572	192,104	266,648
Expenditures:						
Current:						
General government .....	171,249	--	22	6,415	177,686	246,741
Public safety .....	1,208	12	--	--	1,220	1,571
Highway and streets .....	75	--	--	--	75	16
Sanitation .....	561	--	--	--	561	628
Health and human resources .....	450	1,555	--	--	2,005	2,868
Culture-recreation .....	575	8,845	--	--	9,420	18,736
Utilities or other enterprises .....	27	--	--	--	27	2
Total Expenditures .....	174,145	10,412	22	6,415	190,994	270,562
Revenues over (under) Expenditures .....	1,251	(276)	(22)	157	1,110	(3,914)
Fund Balances - July 1 .....	21,235	1,337	22	6,790	29,384	33,298
Fund Balances - June 30 .....	\$ 22,486	\$ 1,061	\$ --	\$ 6,947	\$ 30,494	\$ 29,384

CITY AND COUNTY OF HONOLULU  
**AGENCY FUND**  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
(Amounts in thousands)

	<u>Balance</u> <u>July 1, 2000</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2001</u>
<b><u>PAYROLL CLEARANCE FUND</u></b>				
<b><u>ASSET</u></b>				
Cash .....	\$ 4,194	\$ 414,603	\$ 415,065	\$ 3,732
<b><u>LIABILITIES</u></b>				
Checks payable .....	\$ 4,194	\$ 414,603	\$ 416,821	\$ 1,976
Other current liabilities .....	--	1,756	--	1,756
Total Liabilities .....	\$ 4,194	\$ 416,359	\$ 416,821	\$ 3,732

## **GENERAL FIXED ASSETS ACCOUNT GROUP**

A self-balancing group of accounts established to account for all fixed assets of the City other than those recorded in the Enterprise Funds.

CITY AND COUNTY OF HONOLULU  
**SCHEDULE OF GENERAL FIXED ASSETS - BY FUNCTION (a)**  
 JUNE 30, 2001  
 (Amounts in thousands)

<u>Function</u>	<u>Total</u>	<u>Land</u>	<u>Buildings and Other Improvements</u>	<u>Equipment and Machinery</u>
General government .....	\$ 295,584	\$ 110,020	\$ 126,244	\$ 59,320
Public safety .....	209,982	28,529	68,333	113,120
Highways and streets .....	37,687	5,785	7,814	24,088
Sanitation .....	237	124	--	113
Health and human resources .....	11,208	1,310	1,442	8,456
Culture-recreation .....	444,619	159,972	258,184	26,463
Urban redevelopment and housing .....	<u>126,623</u>	<u>83,516</u>	<u>43,107</u>	<u>--</u>
 Total General Fixed Assets Allocated to Functions .....	 1,125,940	 <u>\$ 389,256</u>	 <u>\$ 505,124</u>	 <u>\$ 231,560</u>
Construction in progress .....	<u>142,945</u>			
Total General Fixed Assets .....	<u>\$ 1,268,885</u>			

(a) Schedule of general fixed assets by activity not presently available.

CITY AND COUNTY OF HONOLULU  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY FUNCTION (a)**  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	General Fixed Assets July 1, 2000	Additions	Deductions	General Fixed Assets June 30, 2001
General government .....	\$ 306,160	\$ 31,561	\$ 42,137	\$ 295,584
Public safety .....	182,016	84,430	56,464	209,982
Highways and streets .....	43,181	5,497	10,991	37,687
Sanitation .....	4,071	3,007	6,841	237
Health and human resources .....	8,060	6,686	3,538	11,208
Culture-recreation .....	432,047	19,833	7,261	444,619
Urban redevelopment and housing .....	127,303	35,838	36,518	126,623
Construction in progress .....	<u>136,955</u>	<u>167,622</u>	<u>161,632</u>	<u>142,945</u>
Total General Fixed Assets .....	<u>\$ 1,239,793</u>	<u>\$ 354,474</u>	<u>\$ 325,382</u>	<u>\$ 1,268,885</u>

(a) Changes in general fixed assets by activity not presently available.

CITY AND COUNTY OF HONOLULU  
**SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS - BY SOURCES**  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
 (Amounts in thousands)

	General Fixed Assets July 1, 2000	Additions	Deductions	General Fixed Assets June 30, 2001
<b>General Fixed Assets:</b>				
Land .....	\$ 378,368	\$ 30,078	\$ 19,190	\$ 389,256
Buildings and other improvements .....	505,343	44,699	44,918	505,124
Equipment and machinery .....	219,127	112,075	99,642	231,560
Construction in progress .....	136,955	167,622	161,632	142,945
<b>Total General Fixed Assets .....</b>	<b><u>\$ 1,239,793</u></b>	<b><u>\$ 354,474</u></b>	<b><u>\$ 325,382</u></b>	<b><u>\$ 1,268,885</u></b>
<b>Investment In General Fixed Assets from:</b>				
General Fund revenues .....	\$ 154,748	\$ 53,158	\$ 39,322	\$ 168,584
Special Revenue Fund revenues .....	44,397	6,768	16,908	34,257
Capital Projects Funds:				
General improvement bonds .....	645,782	225,787	193,140	678,429
Highway improvement bonds .....	23,100	8,509	13,327	18,282
Federal grants .....	75,702	50,499	47,302	78,899
Capital projects .....	15,778	5,951	5,990	15,739
Trust and Agency Fund revenues .....	5,551	3,802	3,376	5,977
Investment prior to July 1, 1985 .....	274,735	--	6,017	268,718
<b>Total Investment in General Fixed Assets .....</b>	<b><u>\$ 1,239,793</u></b>	<b><u>\$ 354,474</u></b>	<b><u>\$ 325,382</u></b>	<b><u>\$ 1,268,885</u></b>

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## **ENTERPRISE FUNDS**

### **Discretely Presented Component Unit**

#### **Board of Water Supply Funds**

The Board of Water Supply is a semi-autonomous entity of the City and has full and complete authority to manage, control and operate the City's water system and related properties. Operations of the agency are accounted for in a separate operating fund and various special funds for bonds and other requirements.

CITY AND COUNTY OF HONOLULU  
ENTERPRISE FUND - DISCRETELY PRESENTED COMPONENT UNIT  
BOARD OF WATER SUPPLY  
BALANCE SHEET  
JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	2001	2000
<b><u>ASSETS</u></b>		
Current Assets:		
Cash and cash equivalents .....	\$ 54,998	\$ 20,153
Investments .....	6,740	152,237
Receivables:		
Accounts (net of allowance for uncollectible accounts \$1,260 in 2001 and \$1,318 in 2000).....	14,742	14,419
Interest .....	231	3,832
Inventories of materials and supplies, at cost .....	3,867	3,302
Prepaid expenses and other assets .....	107	17
Total Current Assets .....	80,685	193,960
Restricted Assets:		
Cash and cash equivalents .....	90,692	2,824
Investments .....	10,280	81,124
Other .....	2,760	3,395
Fixed Assets:		
Land .....	29,562	14,996
Buildings and improvements .....	113,308	74,547
Transmission and distribution system .....	845,208	783,928
Equipment and machinery .....	149,139	135,844
Construction work in progress .....	107,169	71,338
Accumulated depreciation .....	(384,285)	(361,176)
Deferred charges and other .....	2,643	547
Total Assets .....	<u>\$ 1,047,161</u>	<u>\$ 1,001,327</u>
<b><u>LIABILITIES AND RETAINED EARNINGS</u></b>		
Current Liabilities:		
Accounts payable .....	\$ 4,966	\$ 3,509
Interest payable-current .....	431	664
Bonds payable-current .....	--	2,610
Payable to primary government - CASE fees .....	--	8,413
Other current liabilities .....	16,108	9,743
Total Current Liabilities .....	21,505	24,939
General obligation bonds payable .....	--	33,865
Revenue bonds payable .....	66,600	16,395
Customer advances for plant construction .....	41,660	48,607
Deferred credits and other liabilities .....	9,392	9,494
Total Liabilities .....	139,157	133,300
Retained Earnings:		
Unreserved .....	908,004	868,027
Total Retained Earnings .....	908,004	868,027
Total Liabilities and Retained Earnings .....	<u>\$ 1,047,161</u>	<u>\$ 1,001,327</u>

CITY AND COUNTY OF HONOLULU  
ENTERPRISE FUND - DISCRETELY PRESENTED COMPONENT UNIT  
BOARD OF WATER SUPPLY  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2001  
WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000  
(Amounts in thousands)

	2001	2000
Operating Revenues:		
Water sales .....	\$ 102,413	\$ 99,260
Other water revenue .....	696	485
Total Operating Revenues .....	<u>103,109</u>	<u>99,745</u>
Operating Expenses:		
Administrative and general .....	19,062	18,717
Power and pumping .....	13,746	12,282
Transmission and distribution .....	6,489	5,665
Customers' accounting and collecting .....	3,461	3,643
Water reclamation .....	1,542	--
Maintenance .....	17,069	14,765
Central administrative service expenses .....	4,786	8,413
Depreciation .....	26,537	24,443
Other:		
Source of supply .....	137	15
Water treatment .....	177	171
Total Operating Expenses .....	<u>93,006</u>	<u>88,114</u>
Operating Income .....	<u>10,103</u>	<u>11,631</u>
Nonoperating Revenues (Expenses):		
Interest revenue .....	11,055	14,393
Interest expense .....	(284)	(999)
Other .....	(1,892)	175
Total Nonoperating Revenues .....	<u>8,879</u>	<u>13,569</u>
Capital Contributions .....	<u>20,995</u>	<u>30,068</u>
Net Income .....	39,977	55,268
Retained Earnings - July 1 .....	<u>868,027</u>	<u>812,759</u>
Retained Earnings - June 30 .....	<u>\$ 908,004</u>	<u>\$ 868,027</u>

CITY AND COUNTY OF HONOLULU  
**ENTERPRISE FUND - DISCRETELY PRESENTED COMPONENT UNIT**  
**BOARD OF WATER SUPPLY**  
**STATEMENT OF CASH FLOWS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2001**  
**WITH COMPARATIVE AMOUNTS FOR JUNE 30, 2000**  
(Amounts in thousands)

	<u>2001</u>	<u>2000</u>
Cash flows from operating activities:		
Operating income .....	\$ 10,103	\$ 11,631
Adjustments to reconcile operating income to net cash provided by (used in) operating activities:		
Depreciation .....	26,537	24,443
Other revenues (expenses) .....	236	175
Increase in accounts receivable .....	(98)	(919)
Increase in materials and supplies .....	(565)	(445)
(Increase) decrease in prepaid expenses and other assets .....	(314)	105
Increase in trade accounts payables .....	1,456	851
Decrease in accrued vacation .....	(354)	(22)
Increase in accrued workers' compensation .....	252	431
Increase (decrease) in other liabilities .....	(8,412)	4,432
Net cash provided by operating activities .....	<u>28,841</u>	<u>40,682</u>
Cash flows from capital and related financing activities:		
Acquisition and construction of capital assets, net .....	(150,761)	(68,674)
Proceeds from issuing bonds .....	64,504	--
Customers advances for capital projects .....	5,333	4,804
Principal paid on bonds .....	(54,998)	(3,260)
Interest paid on bonds .....	(1,837)	(3,182)
Net cash used in capital and related financing activities .....	<u>(137,759)</u>	<u>(70,312)</u>
Cash flows from investing activities:		
Purchase of investments .....	(276,602)	(395,088)
Proceeds from maturities of investments .....	492,943	421,524
Interest on investments .....	15,290	13,984
Net cash provided by investing activities .....	<u>231,631</u>	<u>40,420</u>
Net increase in cash and cash equivalents .....	122,713	10,790
Cash and cash equivalents - July 1 .....	<u>22,977</u>	<u>12,187</u>
Cash and cash equivalents - June 30 .....	<u>\$ 145,690</u>	<u>\$ 22,977</u>
(including \$90,692 and \$2,824 in restricted accounts in 2001 and 2000)		

Supplemental disclosure of noncash capital and related financing activities:

The Board received \$8,715 and \$19,312 in contributions of property, plant and equipment from governmental agencies, developers and customers, which are recorded at their cost or estimated cost at June 30, 2001 and 2000, respectively.

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**STATISTICAL SECTION**  
**(UNAUDITED)**

TABLE 1

CITY AND COUNTY OF HONOLULU  
**GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION**  
 LAST TEN FISCAL YEARS  
 (Amounts in thousands)  
 (Unaudited)

Fiscal Year	General Government	Public Safety	Highways and Streets	Sanitation	Health and Human Resources	Culture - Recreation	Urban Redevelopment and Housing	Utilities or Other Enterprises	Miscellaneous	Capital Outlay	Debt Service	Total
1992	\$ 87,135	\$ 175,388	\$ 27,838	\$ 88,167	\$ 17,869	\$ 52,938	\$ 23,624	\$ 6,828	\$ 82,248	\$ 207,096	\$ 98,094	\$ 867,225
1993	90,895	187,068	28,242	105,367	20,441	56,688	28,217	2,758	107,695	201,787	111,907	941,065
1994	89,942	182,657	27,372	97,028	21,667	57,458	31,255	1,195	125,608	307,841	164,107	1,106,130
1995	92,951	184,192	26,951	101,121	21,182	58,045	34,349	1,971	121,312	179,027	148,252	969,353
1996	85,566	179,951	21,398	95,424	20,913	53,995	36,345	1,441	136,938	192,799	156,915	981,685
1997	90,855	198,288	19,112	91,232	57,838	52,732	4,060	515	132,296	100,428	167,635	914,991
1998	92,734	201,979	18,072	92,257	61,505	53,882	2,849	951	133,851	154,800	183,602	996,482
1999	107,163	197,615	23,872	82,569	65,482	49,674	--	9,685	115,463	143,749	151,781	947,053
2000	101,740	200,782	14,964	455	61,024	50,125	--	20,580	76,581	198,031	145,399	869,681
2001	104,720	217,504	14,976	482	68,986	55,555	--	23,621	75,932	203,714	148,065	913,555

Note: Includes expenditures in General, Special Revenue, Debt Service and Capital Projects funds.

Effective July 1, 1999, Sewer Fund became an enterprise fund by Resolutions 98-193, CD1 and 98-195, CD1.

Ordinance 99-22 established the Solid Waste Special Fund for Refuse Division operations, also effective July 1, 1999. This new fund combined an existing enterprise fund (H-Power Facility), two special revenue funds (Glass Incentive and Recycling), and the Refuse activity from the General Fund.

The sewer and solid waste special fund expenditures are reported in the proprietary fund type.

TABLE 2

CITY AND COUNTY OF HONOLULU  
**GENERAL GOVERNMENTAL REVENUES BY SOURCE**  
 LAST TEN FISCAL YEARS  
 (Amounts in thousands)  
 (Unaudited)

Fiscal Year	Taxes	Special Assessments	Licenses and Permits	Inter-Governmental	Charges for Services	Miscellaneous			Total
						Reimbursements and Recoveries	Interest	Other	
1992	\$ 447,317	\$ 972	\$ 35,104	\$ 106,523	\$ 114,746	\$ 47,238	\$ 16,919	\$ 40,066	\$ 808,885
1993	478,284	972	37,481	107,499	113,423	70,792	15,417	41,700	865,568
1994	490,645	875	39,633	121,106	140,221	98,801	15,240	27,933	934,454
1995	480,967	570	44,985	129,845	142,412	54,414	20,136	29,465	902,794
1996	481,495	551	46,464	123,528	145,963	63,807	20,048	23,914	905,770
1997	480,219	551	46,606	123,275	143,516	67,687	19,702	25,421	906,977
1998	470,385	517	46,483	159,759	146,807	66,446	20,844	22,522	933,763
1999	466,115	537	46,357	130,128	141,828	78,412	16,567	33,231	913,175
2000	461,255	447	55,157	165,189	20,489	97,143	15,098	29,273	844,051
2001	448,986	445	56,266	170,152	20,718	87,264	15,234	22,029	821,094

Note: Includes revenues in General, Special Revenue, Debt Service and Capital Projects funds.

Effective July 1, 1999, Sewer Fund became an enterprise fund by Resolutions 98-193, CD1 and 98-195, CD1.

Ordinance 99-22 established the Solid Waste Special Fund for Refuse Division operations, also effective July 1, 1999. This new fund combined an existing enterprise fund (H-Power Facility), two special revenue funds (Glass Incentive and Recycling), and the Refuse activity from the General Fund.

The sewer and solid waste special fund revenues are reported in the proprietary fund type.

TABLE 3

CITY AND COUNTY OF HONOLULU  
TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(Amounts in thousands)  
(Unaudited)

Fiscal Year	Real Property Tax	Fuel Tax	Public Utility Franchise Tax	Total
1992	\$ 388,537	\$ 44,164	\$ 14,616	\$ 447,317
1993	419,092	44,334	14,857	478,283
1994	427,534	46,005	17,106	490,645
1995	419,113	44,708	17,146	480,967
1996	416,987	45,990	18,518	481,495
1997	413,844	46,226	20,149	480,219
1998	404,415	45,214	20,756	470,385
1999	402,827	44,518	18,770	466,115
2000	399,115	42,901	19,239	461,255
2001	380,098	46,078	22,810	448,986

TABLE 4

CITY AND COUNTY OF HONOLULU  
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS  
(Amounts in thousands)  
(Unaudited)

Fiscal Year	Assessed Value (a)	Estimated Actual Value	Ratio of Assessed to Estimated Actual Value (b)
1992	\$ 70,744,764	\$ 70,744,764	100 %
1993	82,576,697	82,576,697	100
1994	86,289,397	86,289,397	100
1995	86,906,884	86,906,884	100
1996	85,753,264	85,753,264	100
1997	85,111,039	85,111,039	100
1998	81,732,984	81,732,984	100
1999	76,628,374	76,628,374	100
2000	71,820,676	71,820,676	100
2001	68,676,199	68,676,199	100

(a) Assessed value is at 100% of market value.

(b) Statutory ratio.

Note: Personal property is not taxed in the City and County of Honolulu.

TABLE 5

CITY AND COUNTY OF HONOLULU  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Amounts in thousands)  
(Unaudited)

Fiscal Year	Total Tax Levy	Current Tax Collections (a)	Per Cent of Levy Collected	Delinquent Tax Collections	Total Tax Collections	Total Collections as Per Cent of Current Levy	Outstanding Delinquent Taxes	Outstanding Delinquent Taxes as Per Cent of Current Levy
1992	\$ 377,616	\$ 382,846	101.4 %	\$ 5,691	\$ 388,537	102.9 %	\$ 5,819	1.5 %
1993	416,025	415,150	99.8	3,942	419,092	100.7	9,021	2.2
1994	432,730	421,475	97.4	6,059	427,534	98.8	14,710	3.4
1995	425,084	407,700	95.9	11,413	419,113	98.6	12,008	2.8
1996	417,880	404,805	96.9	12,182	416,987	99.8	6,887	1.6
1997	404,248	405,008	100.2	8,836	413,844	102.4	5,663	1.4
1998	392,100	398,975	101.8	5,440	404,415	103.1	7,132	1.8
1999	392,962	396,949	101.0	5,878	402,827	102.5	7,025	1.8
2000	393,000	392,950	100.0	6,165	399,115	101.6	6,638	1.7
2001	374,099	375,668	100.4	4,430	380,098	101.6	5,950	1.6

(a) Accrued real property tax receivable less contingencies in escrow.

TABLE 6

CITY AND COUNTY OF HONOLULU  
**REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES**  
 LAST TEN FISCAL YEARS (VALUES IN THOUSANDS)  
 (Unaudited)

(Page 1 of 2)

Fiscal Year	Class of Property	Value of Net Taxable Building	Building Tax Rates Per \$1,000	Value of Net Taxable Land	Land Tax Rates Per \$1,000	Value of Net Taxable Real Property
1992	Improved Residential .....	\$ 7,303,250	\$ 4.09	\$ 27,691,931	\$ 3.25	\$ 34,995,181
	Unimproved Residential .....	41,106	4.09	618,337	4.09	659,443
	Apartment .....	6,950,664	3.67	4,618,649	3.67	11,569,313
	Hotel/Resort .....	2,167,626	9.64	4,152,307	9.64	6,319,933
	Commercial .....	3,304,556	8.51	7,751,346	8.51	11,055,902
	Industrial .....	1,201,368	9.45	3,856,574	9.45	5,057,942
	Agricultural .....	123,718	9.00	723,491	9.00	847,209
	Conservation .....	36,647	9.00	203,194	9.00	239,841
	<b>Total .....</b>	<b>\$ 21,128,935</b>		<b>\$ 49,615,829</b>		<b>\$ 70,744,764</b>
1993	Improved Residential .....	\$ 8,444,163	\$ 3.92	\$ 33,921,340	\$ 3.12	\$ 42,365,503
	Unimproved Residential .....	41,376	3.92	713,865	3.92	755,241
	Apartment .....	8,135,529	3.52	5,761,158	3.52	13,896,687
	Hotel/Resort .....	2,165,055	9.64	4,019,091	9.64	6,184,146
	Commercial .....	3,551,298	8.51	8,867,694	8.51	12,418,992
	Industrial .....	1,259,852	8.51	4,237,379	8.51	5,497,231
	Agricultural .....	107,957	9.00	816,507	9.00	924,464
	Conservation .....	52,297	9.00	482,136	9.00	534,433
	<b>Total .....</b>	<b>\$ 23,757,527</b>		<b>\$ 58,819,170</b>		<b>\$ 82,576,697</b>
1994	Improved Residential .....	\$ 6,560,908	\$ 3.92	\$ 34,047,049	\$ 3.12	\$ 40,607,957
	Unimproved Residential .....	45,181	3.92	788,287	3.92	833,468
	Apartment .....	11,108,541	3.52	7,389,939	3.52	18,498,480
	Hotel/Resort .....	2,471,454	9.64	4,125,422	9.64	6,596,876
	Commercial .....	3,740,888	8.51	8,801,423	8.51	12,542,311
	Industrial .....	1,332,666	8.51	4,421,073	8.51	5,753,739
	Agricultural .....	111,489	9.00	765,700	9.00	877,189
	Conservation .....	58,303	9.00	521,074	9.00	579,377
	<b>Total .....</b>	<b>\$ 25,429,430</b>		<b>\$ 60,859,967</b>		<b>\$ 86,289,397</b>
1995	Improved Residential .....	\$ 7,177,623	\$ 3.92	\$ 34,903,402	\$ 3.12	\$ 42,081,025
	Unimproved Residential .....	34,684	3.92	870,358	3.92	905,042
	Apartment .....	11,838,425	3.52	7,397,628	3.52	19,236,053
	Hotel/Resort .....	2,348,632	9.64	3,072,740	9.64	5,421,372
	Commercial .....	3,926,877	8.51	8,180,895	8.51	12,107,772
	Industrial .....	1,364,167	8.51	4,573,665	8.51	5,937,832
	Agricultural .....	116,305	9.00	602,838	9.00	719,143
	Conservation .....	54,757	9.00	443,888	9.00	498,645
	<b>Total .....</b>	<b>\$ 26,861,470</b>		<b>\$ 60,045,414</b>		<b>\$ 86,906,884</b>
1996	Improved Residential .....	\$ 7,695,925	\$ 3.92	\$ 34,476,962	\$ 3.12	\$ 42,172,887
	Unimproved Residential .....	40,176	3.92	1,007,570	3.92	1,047,746
	Apartment .....	11,883,537	3.52	7,768,722	3.52	19,652,259
	Hotel/Resort .....	2,241,829	9.64	2,729,852	9.64	4,971,681
	Commercial .....	4,016,803	8.51	7,053,885	8.51	11,070,688
	Industrial .....	1,442,338	8.51	4,285,282	8.51	5,727,620
	Agricultural .....	120,676	9.00	537,103	9.00	657,779
	Conservation .....	73,044	9.00	379,560	9.00	452,604
	<b>Total .....</b>	<b>\$ 27,514,328</b>		<b>\$ 58,238,936</b>		<b>\$ 85,753,264</b>

TABLE 6

CITY AND COUNTY OF HONOLULU  
**REAL PROPERTY ASSESSED VALUES BY CLASSIFICATION AND TAX RATES**  
 LAST TEN FISCAL YEARS (VALUES IN THOUSANDS)  
 (Unaudited)

(Page 2 of 2)

Fiscal Year	Class of Property	Value of Net Taxable Building	Building Tax Rates Per \$1,000	Value of Net Taxable Land	Land Tax Rates Per \$1,000	Value of Net Taxable Real Property
1997	Improved Residential .....	\$ 8,406,430	\$ 3.92	\$ 34,255,677	\$ 3.12	\$ 42,662,107
	Unimproved Residential .....	43,508	3.92	1,012,525	3.92	1,056,033
	Apartment .....	11,659,514	3.52	7,918,914	3.52	19,578,428
	Hotel/Resort .....	2,045,129	9.64	2,598,091	9.64	4,643,220
	Commercial .....	4,022,314	8.51	6,521,422	8.51	10,543,736
	Industrial .....	1,500,176	8.51	4,161,332	8.51	5,661,508
	Agricultural .....	91,537	9.00	429,454	9.00	520,991
	Conservation .....	70,484	9.00	374,532	9.00	445,016
	<b>Total .....</b>	<b>\$ 27,839,092</b>		<b>\$ 57,271,947</b>		<b>\$ 85,111,039</b>
1998	Improved Residential .....	\$ 8,654,984	\$ 3.92	\$ 31,966,315	\$ 3.12	\$ 40,621,299
	Unimproved Residential .....	40,156	3.92	917,495	3.92	957,651
	Apartment .....	10,949,973	3.52	7,481,771	3.52	18,431,744
	Hotel/Resort .....	2,186,204	9.64	2,584,261	9.64	4,770,465
	Commercial .....	4,140,514	8.51	6,428,698	8.51	10,569,212
	Industrial .....	1,512,774	8.51	3,929,058	8.51	5,441,832
	Agricultural .....	91,367	9.00	371,882	9.00	463,249
	Conservation .....	60,809	9.00	416,723	9.00	477,532
	<b>Total .....</b>	<b>\$ 27,636,781</b>		<b>\$ 54,096,203</b>		<b>\$ 81,732,984</b>
1999	Improved Residential .....	\$ 9,049,562	\$ 3.49	\$ 29,075,124	\$ 3.49	\$ 38,124,686
	Unimproved Residential .....	40,154	4.00	893,991	4.00	934,145
	Apartment .....	9,762,680	3.97	6,497,815	3.97	16,260,495
	Hotel/Resort .....	2,191,901	9.64	2,638,300	9.64	4,830,201
	Commercial .....	4,190,660	8.88	5,939,935	8.88	10,130,595
	Industrial .....	1,590,950	8.62	3,779,419	8.62	5,370,369
	Agricultural .....	92,320	9.00	398,599	9.00	490,919
	Conservation .....	62,262	9.00	424,699	9.00	486,961
	<b>Total .....</b>	<b>\$ 26,980,489</b>		<b>\$ 49,647,882</b>		<b>\$ 76,628,371</b>
2000	Improved Residential .....	\$ 9,230,152	\$ 3.65	\$ 27,176,656	\$ 3.65	\$ 36,406,808
	Unimproved Residential .....	41,303	4.66	760,369	4.66	801,672
	Apartment .....	8,770,891	4.49	5,583,553	4.49	14,354,444
	Hotel/Resort .....	2,181,039	9.96	2,495,333	9.96	4,676,372
	Commercial .....	4,376,172	9.25	5,349,767	9.25	9,725,939
	Industrial .....	1,592,304	9.39	3,336,296	9.39	4,928,600
	Agricultural .....	94,231	9.89	350,930	9.89	445,161
	Conservation .....	65,278	9.25	416,402	9.25	481,680
	<b>Total .....</b>	<b>\$ 26,351,370</b>		<b>\$ 45,469,306</b>		<b>\$ 71,820,676</b>
2001	Improved Residential .....	\$ 9,315,911	\$ 3.65	\$ 25,898,762	\$ 3.65	\$ 35,214,673
	Unimproved Residential .....	40,789	4.66	690,343	4.66	731,132
	Apartment .....	8,460,667	4.49	5,119,280	4.49	13,579,947
	Hotel/Resort .....	2,068,493	9.96	2,358,990	9.96	4,427,483
	Commercial .....	4,370,036	9.25	4,876,112	9.25	9,246,148
	Industrial .....	1,562,797	9.39	2,997,584	9.39	4,560,381
	Agricultural .....	88,643	9.89	318,530	9.89	407,173
	Conservation .....	77,821	9.25	431,440	9.25	509,261
	<b>Total .....</b>	<b>\$ 25,985,157</b>		<b>\$ 42,691,041</b>		<b>\$ 68,676,198</b>

Notes: (1) Assessed value is at 100% of market value.  
 (2) There are no overlapping property tax rates in the City and County of Honolulu.

TABLE 7

CITY AND COUNTY OF HONOLULU  
**SPECIAL ASSESSMENT COLLECTIONS**  
 LAST TEN FISCAL YEARS  
 (Amounts in thousands)  
 (Unaudited)

<u>Fiscal Year</u>	<u>Current Assessments Due</u>	<u>Current Assessments Collected (a)</u>	<u>Ratio of Collections to Amount Due</u>	<u>Total Outstanding Current and Delinquent Assessments</u>
1992	\$ 759	\$ 1,280	169 %	\$ 7,651
1993	817	1,019	125	6,632
1994	843	1,081	128	5,551
1995	518	674	130	5,314
1996	472	704	149	4,951
1997	453	553	122	4,397
1998	449	611	136	3,999
1999	436	558	128	3,437
2000	419	442	105	2,995
2001	423	483	114	2,561

(a) Includes prepayments.

TABLE 8

CITY AND COUNTY OF HONOLULU  
 RATIO OF DIRECT BONDED DEBT  
 LAST TEN FISCAL YEARS  
 (Unaudited)

Fiscal Year	Resident Population As of July 1 (a)	Assessed Value (b) (thous. \$)	Direct Bonded Debt (c) (thous. \$)	Ratio of Direct Bonded Debt to Assessed Value	Direct Bonded Debt Per Capita
1992	857,884	70,744,764	635,872	.9	741.21
1993	862,867	82,576,697	912,630	1.1	1,057.67
1994	869,959	86,289,397	1,122,894	1.3	1,290.74
1995	871,369	86,906,884	1,078,373	1.2	1,237.56
1996	871,609	85,753,264	1,132,844	1.3	1,299.72
1997	873,115	85,111,039	856,596 (d)	1.0	981.08
1998	871,768	81,732,984	870,856 (d)	1.1	998.95
1999	864,571	76,628,374	978,576 (d)	1.3	1,131.86
2000	876,156	71,820,676	987,147 (d)	1.4	1,126.68
2001	(e)	68,676,199	1,103,082 (d)	1.6	1,259.00 (f)

(a) Figures for 1992-1999 estimated by the Federal-State Cooperative Program for Population Estimates and appear in the State of Hawaii Data Book 1999. The fiscal year 2000 figure based on April 1, 2000, and appear in the State of Hawaii Data Book 2000.

(b) See Table 4, Assessed Value.

(c) Excludes non-tax supported debt.

(d) Effective fiscal year 1997, excludes bonds issued for sewer purposes by Ordinance No. 97-46. Effective fiscal year 2000, excludes bonds issued for refuse collection by Ordinance No. 99-22.

(e) Not available.

(f) Based on 2000 resident population.

TABLE 9

CITY AND COUNTY OF HONOLULU  
COMPUTATION OF LEGAL DEBT MARGIN  
June 30, 2001  
(Amounts in thousands)  
(Unaudited)

Gross Assessed Valuation of Real Property, January 28, 2000.....		\$ 83,432,669
Less Exempt Valuation .....		<u>13,737,279</u>
Assessor's Net Taxable Valuation .....		69,695,390
Less Valuation on Appeal .....		<u>2,038,384</u>
Taxpayers' Valuation .....		67,657,006
Add 50 Percent of Valuations on Appeal .....		<u>1,019,192</u>
Net Assessed Valuation of Real Property for Rate Purposes .....		<u>\$ 68,676,198</u>
Debt Limit - 15 Percent of Net Assessed Valuation .....		\$ 10,301,430
Less Funded and Other Indebtedness:		
General Obligation Bonds .....	\$ 1,544,517	
Notes Payable .....	<u>72,529</u>	
Gross Funded and Other Indebtedness .....		\$ 1,617,046
Less Exclusions: (a)		
General Obligation Bonds Issued for H-POWER Facility .....	158,660	
General Obligation Bonds Issued for Housing Developments .....	128,182	
General Obligation Bonds Issued for Solid Waste Projects .....	67,236	
General Obligation Bonds Issued for Sewer Projects .....	87,356	
State of Hawaii Notes Payable Issued for Sewer Projects .....	<u>68,830</u>	510,264
Net Funded and Other Indebtedness .....		<u>1,106,782</u>
Legal Debt Margin .....		9,194,648
Less General Obligation Debt Authorized for Issuance:		
1. Authorized by Ordinance No. 94-43 .....	99,306	
Less Previously Issued .....	<u>63,336</u>	
Amount Not Yet Issued .....		35,970
2. Authorized by Ordinance No. 96-39 .....	24,319	
Less Previously Issued .....	<u>19,791</u>	
Amount Not Yet Issued .....		4,528
3. Authorized by Ordinance No. 98-29 .....	179,795	
Less Previously Issued .....	<u>148,077</u>	
Amount Not Yet Issued .....		31,718
4. Authorized by Ordinance No. 99-28 .....	137,313	
Less Previously Issued .....	<u>22,831</u>	
Amount Not Yet Issued .....		114,482
5. Authorized by Ordinance No. 00-24 .....	251,872	
Less Previously Issued .....	<u>8,560</u>	
Amount Not Yet Issued .....		243,312
Total Amount Authorized Not Yet Issued .....		<u>430,010</u>
Net Legal Debt Margin .....		<u>\$ 8,764,638</u>

TABLE 10

CITY AND COUNTY OF HONOLULU  
 COMPUTATION OF DIRECT AND OVERLAPPING DEBT  
 JUNE 30, 2001  
 (Amounts in thousands)  
 (Unaudited)

<u>Name of Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to City and County of Honolulu</u>	<u>City and County of Honolulu's Share of Debt</u>
City and County of Honolulu	\$1,106,782	100 %	\$ 1,106,782
Total Direct and Overlapping Debt			\$ 1,106,782

Note: Excludes non-tax supported debt.

TABLE 11

CITY AND COUNTY OF HONOLULU  
 RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
 FOR GENERAL BONDED DEBT  
 TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
 LAST TEN FISCAL YEARS  
 (Amounts in thousands)  
 (Unaudited)

Fiscal Year	GENERAL OBLIGATION DEBT			Total General Governmental Expenditures (b)	Ratio Debt Service to General Governmental Expenditures
	Principal	Interest (a)	Total Debt Service		
1992	\$ 32,927	\$ 61,525	\$ 94,452	\$ 867,225	10.9 %
1993	41,943	66,465	108,408	941,065	11.5
1994	87,225	74,098	161,323	1,106,130	14.6
1995	54,431	87,114	141,545	969,353	14.6
1996	64,765	89,464	154,229	981,685	15.7
1997	72,782	92,385	165,167	914,991	18.1
1998	88,928	91,931	180,859	996,482	18.1
1999	66,342	82,567	148,909	947,053	15.7
2000	67,491	75,367	142,858	869,681	16.4
2001	68,715 (c)	77,382 (c)	146,097	913,555	16.0

(a) Includes Interest on general obligation bond anticipation notes.

(b) See Table 1, Total Expenditures.

(c) The May 24, 2000, Series A Issue, refunded in advance of maturity the tax exempt commercial paper issued for the housing development fund of \$38,500,000, scheduled to mature on October 22, 2000. On February 22, 2001, the Board of Water Supply cash defeased the Series 1976, Series 1978 and Series 1992 general obligation bonds. The amounts were \$365,000, \$1,560,000 and \$32,460,000 respectively.

TABLE 12

CITY AND COUNTY OF HONOLULU  
**SCHEDULE OF REVENUE BOND COVERAGE -**  
**BOARD OF WATER SUPPLY**  
 LAST TEN FISCAL YEARS  
 (Amounts in thousands)  
 (Unaudited)

Fiscal Year	Gross Revenues (a)	Expenses (a)	Net Revenues	Debt Service		Total	Coverage (b)
				Principal	Interest		
1992	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	--
1993	--	--	--	--	--	--	--
1994	--	--	--	--	--	--	--
1995	--	--	--	--	--	--	--
1996	110,465	52,426	58,039	--	326	326	178.03
1997	107,201	53,755	53,446	380	979	1,359	39.33
1998	113,230	57,179	56,051	390	964	1,354	41.40
1999	113,256	55,993	57,263	410	948	1,358	42.17
2000	114,313	63,670	50,643	425	930	1,355	37.37
2001	114,164	66,469	47,695	445	911	1,356	35.17

Note: The Board of Water Supply issued \$66,600,000 Water System Revenue Bonds on May 5, 2001. Of the total issuance, \$16,395,000 was used to refund in advance of maturity the Water System Revenue Bonds, Series 1996.

**SCHEDULE OF REVENUE BOND COVERAGE -**  
**DEPARTMENT OF ENVIRONMENTAL SERVICES**  
 LAST TEN FISCAL YEARS  
 (Amounts in thousands)  
 (Unaudited)

Fiscal Year	Gross Revenues (a)	Expenses (a)	Net Revenues	Debt Service		Total	Coverage (b)
				Principal	Interest		
1992	\$ --	\$ --	\$ --	\$ --	\$ --	\$ --	--
1993	--	--	--	--	--	--	--
1994	--	--	--	--	--	--	--
1995	--	--	--	--	--	--	--
1996	--	--	--	--	--	--	--
1997	--	--	--	--	--	--	--
1998	--	--	--	--	--	--	--
1999	116,096	59,869	56,227	--	8,187	8,187	6.87
2000	132,733	56,834	75,899	--	15,204	15,204	4.99
2001	113,041	66,973	46,068	--	14,034	14,034	3.28

(a) As defined in applicable bond Indenture. Expenses are exclusive of provisions for depreciation.

(b) Net revenues divided by total debt service.

TABLE 13

**CITY AND COUNTY OF HONOLULU  
DEMOGRAPHIC STATISTICS  
FISCAL YEARS 1991 THROUGH 2000  
(Unaudited)**

<u>Fiscal Year</u>	<u>Resident Population as of July 1 (a)</u>	<u>Per Capita Income (b)</u>	<u>School Enrollment (c)</u>	<u>Unemployment Rate (d)</u>
1991	846,594	24,680	150,842	2.0 %
1992	857,884	26,293	151,219	3.0
1993	862,867	26,756	153,039	3.1
1994	869,959	27,042	154,557	4.6
1995	871,369	27,328	126,686	4.6
1996	871,609	27,436	128,209	5.3
1997	873,115	28,180	127,943	5.3
1998	871,768	28,640	126,745	5.4
1999	864,571	29,465	125,579	4.9
2000	876,156	(e)	(e)	3.8

(a) See Table 8, Resident Population as of July 1, for fiscal years 1991-1999 and April 1, for fiscal year 2000.

(b) U.S. Department of Commerce, Bureau of Economic Analysis, Regional Economic Information System, Metropolitan Area Personal Income, May 3, 2001 <<http://www.bea.doc.gov/bea/regional/rels/index.html>> and calculations by Hawaii State Department of Business, Economic Development and Tourism.

(c) Enrollment figures for 1990-1999 obtained from the State of Hawaii, Department of Business, Economic Development and Tourism (DBEDT), State of Hawaii Data Book, various years. Enrollment include grades kindergarten -12, special education schools, nurseries and upgraded students in special schools. Effective 1994, data excludes UH Laboratory School. Effective 1995, excludes private schools.

(d) Hawaii State Department of Labor and Industrial Relations, Labor Force Data Book (annual), and Internet site <http://www.hawaii.gov/workforce/laus.htm>.

(e) Not available.

TABLE 14

CITY AND COUNTY OF HONOLULU  
**PROPERTY VALUE, AND CONSTRUCTION**  
 FISCAL YEARS 1992-2001  
 (Unaudited)

Fiscal Year	Non- Residential Construction Value (a) (thous. \$)	Residential Construction (a)		Property Value (b)			
		Single Family	Multi Family	Value (thous. \$)	Commercial (thous. \$)	Residential (thous. \$)	Nontaxable (thous. \$)
		Units	Units				
1992	\$ 646,279	1,731	2,281	\$ 729,690	\$ 34,856,979	\$ 35,654,830	\$ 31,181,406
1993	638,674	2,730	2,143	697,720	38,921,521	43,120,745	33,839,028
1994	513,543	1,860	3,418	743,027	44,268,596	41,441,427	34,932,095
1995	636,388	2,815	3,170	803,265	43,422,172	42,986,068	35,579,323
1996	691,087	1,938	1,518	535,843	42,080,028	43,220,635	35,092,835
1997	507,933	1,111	1,756	503,047	40,947,883	43,718,139	33,889,613
1998	412,179	1,359	453	338,130	39,676,502	41,578,950	33,331,715
1999	505,275	1,395	457	335,116	37,082,579	39,058,831	31,766,907
2000	495,780	1,540	589	397,474	34,130,519	37,208,479	30,632,220
2001	518,183	1,719	402	429,860	32,221,134	35,945,804	30,141,991

## Data Sources

(a) City and County of Honolulu, Department of Planning and Permitting's Summary of Building Permits. The residential construction value include permits issued for new, addition or renovation to residential property. The non-residential construction value include permits issued for all other construction, new, addition or renovation other than residential.

(b) Department of Budget and Fiscal Services, Real Property Assessment Division. Commercial values include both land and building for properties zoned for commercial, hotel-apartments, industrial, and agricultural uses.

TABLE 15

**CITY AND COUNTY OF HONOLULU  
PRINCIPAL TAXPAYERS  
JUNE 30, 2001  
(Unaudited)**

<u>Taxpayer (a)</u>	<u>Type of Business</u>	<u>Gross Assessed Valuation (b)</u> (thous. \$)	<u>Percentage of Total Assessed Valuation</u>
Bishop Estate	Educational trust estate	\$3,758,209	4.50 %
Queen's Medical Center et al	Hospitals; medicine	1,059,616	1.27
GGP Ala Moana LLC	Real estate investment	754,977	0.90
James Campbell Corporation	Real estate investment & management	685,511	0.82
Kyo-Ya Co., Ltd.	Restaurant & bar; retail; hotels	670,223	0.80
Liliuokalani Trust	Provide care for orphans and destitute children in Hawaii	627,457	0.75
Hilton Haw'n Village Jt. Venture	Hotel operations	621,415	0.74
Dole Food Co.	Agriculture; manufacturing; merchandising	510,751	0.61
Samuel M. Damon Trust Estate	Real estate management	508,652	0.61
Pacific Century	Banking	382,753	0.46

(a) Taxpayer's name as recorded in real property records.

(b) Assessed valuation as of January 28, 2000 at 100% of market value.

TABLE 16

CITY AND COUNTY OF HONOLULU  
MISCELLANEOUS STATISTICAL DATA  
JUNE 30, 2001  
(Unaudited)

(Page 1 of 2)

1. Date of Incorporation - April 30, 1907
2. Date First Charter Adopted - July, 1, 1959
3. Form of Government - Executive Branch (Mayor) and Legislative Branch (City Council)
4. Area (sq. mi.) - 604
5. Miles of Roads:
  - Paved - 1,370
  - Unpaved - 7
  - Alleys - less than 5
  - Sidewalks - 730
6. Miles of Sewers:
  - Storm - 680
  - Sanitary - 2,541
7. Building Permits:

<u>Year Issued</u>	<u>No. of Permits Issued</u>	<u>Value of Permits</u>
1991	15,951	\$ 1,627,324,785
1992	17,037	1,385,056,704
1993	17,308	1,250,153,038
1994	16,927	1,424,891,175
1995	18,258	1,228,982,564
1996	16,093	1,063,827,218
1997	14,227	934,183,266
1998	13,886	798,720,326
1999	14,107	928,834,249
2000	13,151	891,567,126

8. Fire Protection (6/30/01):
  - Number of Stations - 44 (a)
  - Number of Employees - 1,139
9. Police Protection:
  - Number of Stations - 9
  - Number of Employees 6/30/01 - 2,459
  - Number of Reported Part I Offenses (2000) - 46,893
  - Number of Reported Part II Offenses (2000) - 68,884
10. Recreation:
  - Number of Parks and Recreational Areas - 288
  - Number of Beach Access/Rights-of-Ways - 90
  - Number of Traffic Related Landscaped Areas - 86
  - Number of Botanical Gardens - 5
  - Number of Municipal Golf Courses - 6
  - Number of Zoological Parks - 1
  - Number of Recreation Buildings - 90
  - Number of Gymnasiums - 24
  - Number of Swimming Pools - 18

TABLE 16

CITY AND COUNTY OF HONOLULU  
**MISCELLANEOUS STATISTICAL DATA**  
 JUNE 30, 2001  
 (Unaudited)

(Page 2 of 2)

<b>10. Recreation: (continued)</b>			
Number of Baseball Fields	-	34	
Number of Softball Fields	-	157	
Number of Basketball Courts	-	222	
Number of Tennis Courts	-	179	
Number of Volleyball Courts	-	173	
Number of Soccer Fields	-	19	
<b>11. Board of Water Supply (6/30/01):</b>			
Number of Active Services	-	157,429	
Annual Water Consumption	-	52,778,333,000 Gallons	
Pumping Capacity - Million Gallons Per Day	-	176.6	(Metropolitan System only)
Miles of Water Mains	-	1,944.8	
<b>12. Number of Street Lights - 43,844</b>			
<b>13. Employees (6/30/01):</b>			
Civil Service, Permanent and Temporary	-	8,516	
Exempt	-	330	(b)
<b>14. Elections (2000): (c)</b>			
Number of Registered Voters	-	637,349	
Number of Votes Cast in Last General Election	-	371,033	
* Percentage of Registered Voters Voting in Last General Election	-	58.2%	
<b>15. Population:</b>			
Resident Population (Census): (c)			
1960 -	500,409		
1970 -	630,528		
1980 -	762,565		
1990 -	836,231		
2000 -	876,156		
<b>16. Retail Sales (In Millions): (d)</b>			
1992	12,098.5		
1993	12,125.0		
1994	13,016.7		
1995	13,445.2		
1996	14,358.9		
1997	14,999.0		
1998	(e)		
1999	(e)		
2000	(e)		
2001	(e)		

(a) Includes one fireboat and one aircraft station.

(b) Excludes personal service contracts.

(c) State of Hawaii, Department of Business, Economic Development and Tourism (DBEDT) and appear in State of Hawaii Data Book 2000.

(d) Bank of Hawaii, Annual Economic Report, Vol. 48.

(e) Information no longer provided.

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